



**ASSTON PHARMACEUTICALS LIMITED**  
**ASSTON PHARMACEUTICALS LIMITED**  
(Formerly known as Asston Pharmaceuticals Private Limited)  
**CIN: U24304MH2019PLC324187**

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
4 <sup>th</sup> Floor, Office No. A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane – 400 614, Maharashtra, India.	N.A.	Vandana Mishra, Company Secretary and Compliance Officer	<b>Email:</b> <a href="mailto:info@asstonpharmaceuticals.com">info@asstonpharmaceuticals.com</a> <b>Tel. No.:</b> +91 22 49731411/+91 2249731419	<a href="http://www.asstonpharmaceuticals.com">www.asstonpharmaceuticals.com</a>

**PROMOTERS OF OUR COMPANY ARE DR. ASHISH NARAYAN SAKALKAR, SAILI JAYARAM MORE AND SACHIN CHANDRAKANT BADA KH**

**DETAILS OF ISSUE TO PUBLIC**

TYPE	FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Issue	Up to 22,41,600 Equity Shares of face value of ₹10/- aggregating up to [●] Lakhs	N.A.	Up to 22,41,600 Equity Shares of face value of ₹10/- aggregating up to [●] Lakhs	The Issue is being made in Terms of Regulation 229 (1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Retail Individual Bidder, see “Issue Structure” beginning on page ISSUE STRUCTURE

**DETAILS OF , SELLING SHAREHOLDERS AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹ 10/- each. The Floor Price, Cap Price and Issue Price (determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of Book Building Process as stated in “Basis for Issue Price” beginning on page 101 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the issue unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the issue. For taking an investment decision, Bidders 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 Draft Red Herring Prospectus. **Specific attention of the investors is invited to “Risk Factors” on page 28 of this Draft Red Herring Prospectus.**

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 issued through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle approval letter dated [●] from BSE Limited.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED</b>	Mr. Rishabh Singhvi/ Ms. Nisha	<b>Telephone:</b> +91 7836066001 <b>E-mail:</b> <a href="mailto:cs@sobhagvacap.com">cs@sobhagvacap.com</a>

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>MAASHITLA SECURITIES PRIVATE LIMITED</b>	Mr. Mukul Agrawal	<b>Telephone:</b> +91 11 45121795/96 /+91 22 488 08634 <b>E-mail:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a>

**BID/ISSUE PROGRAMME**

<b>ANCHOR INVESTOR BID/ ISSUE PERIOD: [●]*</b>	<b>BID/ISSUE OPENS ON: [●]*</b>	<b>BID/ ISSUE CLOSES ON: [●]**</b>
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\*Our Company in consultation with the BRLM 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.

\*\*Our Company in consultation with the BRLM, 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.



**ASSTON PHARMACEUTICALS LIMITED**  
**ASSTON PHARMACEUTICALS LIMITED**

(Formerly known as Asston Pharmaceuticals Private Limited)

CIN: U24304MH2019PLC324187

Our Company was originally incorporated as "Asston Pharmaceuticals Private Limited", a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated April 16, 2019 issued by Registrar of Companies, Mumbai, Maharashtra. Thereafter, our Company was converted into a public limited company and the name of our Company was changed from "Asston Pharmaceuticals Private Limited" to "Asston Pharmaceuticals Limited" vide fresh certificate of incorporation dated August 29, 2024 issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U24304MH2019PLC324187. For further details, please refer to chapter titled "History and Certain Corporate Matters" beginning on page 182 of this Draft Red Herring Prospectus.

**Registered Office:** 4<sup>th</sup> Floor, Office No A-431, Balaji Bhavan, Plot No 42A Sector-11, CBD Belapur, Navi Mumbai, Thane – 400 614, Maharashtra, India;

**Tel. No.:** +91 22 49731411/+91 2249731419; **E-mail:** [info@asstonpharmaceuticals.com](mailto:info@asstonpharmaceuticals.com);

**Website:** [www.asstonpharmaceuticals.com](http://www.asstonpharmaceuticals.com); **Contact Person:** Vandana Mishra, Company Secretary & Compliance Officer;

**DETAILS OF THE ISSUE**

INITIAL PUBLIC ISSUE OF UP TO 22,41,600 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF ASSTON PHARMACEUTICALS LIMITED ("OUR COMPANY" OR "APL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH UP TO 1,12,800 EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 21,28,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●]% AND [●]%, RESPECTIVELY OF THE POST-ISSUE PAID - UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND MARATHI EDITION OF [●], REGIONAL NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE ("BSE SME") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

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 one Working Day, 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 BRLM 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 Managers, allocate up to 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 utilize 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 254 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined 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, as stated under "Basis for Issue Price" beginning on page 115 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 an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments 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 the 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 issued 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 Draft Red Herring Prospectus. **Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus.**

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 Draft 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 Draft 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 issued through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform BSE Limited. Our Company has received an 'in principle' approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be BSE Limited.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



A SEBI Registered Merchant Banking Company



**SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED**  
 C-4 to C-11, Gate No-01, Hosiery Complex, Phase-II Extension, Noida-201305  
**Tel. No.:** +91 7836066001  
**Email:** [cs@sobhagyacap.com](mailto:cs@sobhagyacap.com)  
**Investor Grievance Email:** [delhi@sobhagyacap.com](mailto:delhi@sobhagyacap.com)  
**Website:** [www.sobhagyacapital.com](http://www.sobhagyacapital.com)  
**Contact Person:** Mr. Rishabh Singhvi/ Ms. Nisha  
**SEBI Registration No.:** MB/INM000008571

**MAASHITLA SECURITIES PRIVATE LIMITED**  
 451, Krishna Apra Business Square, Netaji Subhash Place,  
 Pitampura, Delhi- 110 034  
**Tel. Number:** +91 11 47581432  
**Email:** [ipo@maashitla.com](mailto:ipo@maashitla.com)  
**Website:** [www.maashitla.com](http://www.maashitla.com)  
**Contact Person:** Mr. Mukul Agrawal  
**SEBI Reg. No.:** INR000004370  
**CIN No:** U67100DL2010PTC208725

**ISSUE PROGRAMME**

**ANCHOR INVESTOR BID/ISSUE PERIOD:** [●]\*

**BID/ISSUE OPENS ON:** [●]\*

**BID/ISSUE CLOSES ON:** [●]\*\*

\*Our Company may in consultation with the BRLM 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.

\*\*Our Company may, in consultation with the BRLM, 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.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, 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 Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments”, “Key Industry Regulations” and section titled “Main Provisions of the Articles of Association” beginning on page 125, 207, 223, 175 and 283 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

Term	Description
APL/ Our Company/ we/ us/ our / the Company/ the Issuer Company/ or the Issuer.	Asston Pharmaceuticals Limited, A Public Limited Company, Registered Under the Companies Act, 2013 and having its Registered Office at 4 <sup>th</sup> Floor, Office No A-431 Balaji Bhavan, Plot No 42A, Sector-11, CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra, India.
We/ us/ our / Group	Unless the context otherwise indicates or implies, refers to our Company.
You/ your or yours	Prospective Investors in this Issue.
Our Promoters	Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh.
Promoter Group	Companies, Individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

#### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association / AOA	The articles of association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Company, constituted on October 01, 2024 date to being accordance with Section 177 of the Companies Act, 2013, For details refer section titled “ <i>Our Management</i> ” beginning on page 185 of this Draft Red Herring Prospectus.
Auditor of our Company / Statutory Auditor / Peer Review Auditor	The Statutory Auditors of our Company, being M/s. Doshi Doshi & Co, Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <i>General Information</i> ” beginning on page 71 of this Draft Red Herring Prospectus.
Bankers to the Company	Bank of Maharashtra and ICICI Bank Limited
Board of Directors / Board / BOD	The Board of Directors of Asston Pharmaceuticals Limited unless otherwise specified.
Companies Act	The Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U24304MH2019PLC324187.
CMD	Chairman and Managing Director.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, being Deven Manohar Patil.
Company Secretary	The Company Secretary and Company Officer of our Company, Vandana Mishra.

Term	Description
and Company Officer	
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
ED	Executive Director
Group Company	Group Company as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group Company shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Company</i> ” beginning on page 206 of this Draft Red Herring Prospectus.
Independent Director	A Non-Executive Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INE0SJX01015
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately Below the Board of Directors as described in the section titled “ <i>Our Management</i> ” beginning on page 185 of this Draft Red Herring Prospectus.
Key Performance Indicators” or “KPIs”	Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Issue Price</i> ” beginning on page 115 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on December 25, 2024 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
MD	Managing Director.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee, constituted on October 01, 2024 in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” beginning on page 185 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000.
Peer Review Auditors	Auditor having a valid Peer Review certificate in our case being M/s. Doshi & Doshi & Co., Chartered Accountants.
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.
Promoters	Shall mean promoters of our Company i.e., Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh. For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 200 of this Draft Red Herring Prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 200 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company located at 4 <sup>th</sup> Floor, Office No A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane – 400 614,

Term	Description
	Maharashtra, India.
Restated Financial Statements	The Restated Financial Statements of our Company, which comprises the Standalone Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the period ended November 30, 2024 and for the year ended on March 31, 2024, 2023 and 2022 and the Consolidated Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows for the period ended November 30, 2023 and the year ended March 31, 2024 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC/Registrar of Companies	Registrar of Companies, Mumbai.
Shareholders	Shareholders of our Company.
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited.
Subscriber to MOA/Initial	Initial Subscriber to MOA & AOA being Dr. Ashish Narayan Sakalkar and Saili Jayaram More.
Promoters	The Stakeholders' & Relationship Committee, constituted on October 01, 2024 in accordance with Section 178 of the Companies Act, 2013. For details refer section titled " <i>Our Management</i> " beginning on page 185 of this Draft Red Herring Prospectus.

## KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
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 the business.
Return on Equity Ratio	Return on equity (ROE) is a measure of financial performance.
Return on Capital Employed	Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
Net fixed asset turnover ratio	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.
Net profit ratio	Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue.

## ISSUE RELATED TERMS

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.

Term	Description
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Anchor Investor	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 had Bid for an amount of at least ₹200 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 the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, 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 Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/ Issue Closing Date.
Anchor Investor Portion	Up to 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.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “ <i>Issue Procedure - Basis of allotment</i> ” beginning on page 254 of this Draft Red Herring Prospectus.
Bankers to the Issue, Sponsor and Refund Banker	[●].
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid	An indication to make an Issue during the Bid/ Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date 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 relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
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, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Mumbai edition of Regional newspaper [●] where the registered office of the company is situated, each with wide



Term	Description
	<p>circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB's and Sponsor Bank, as required under the SEBI (ICDR) Regulations.</p> <p>Our Company, in consultation with BRLM, may, 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 any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.</p>
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, which shall be notified in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Mumbai edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/ Issue Period	<p>Except in relation to Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR, Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company, in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, 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.</p>
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Draft Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	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 Sobhagya Capital Options Private Limited.
Bidding	The process of making a Bid.
Business Day	Monday to Friday (except public holidays).
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited

Term	Description
BSE SME Platform	The BSE SME for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price, finalised by our Company in consultation with the Book Running Lead Managers, which shall be any price within the Price Band.  Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant 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 websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated RTA Locations	Such locations of the RTAs where Applicant 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 websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father / husband, investor status, occupation and Bank Account details.
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identity Number.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated January 16, 2025 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue.
Designated Stock Exchange	BSE Limited ("BSE SME").
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus

Term	Description
	constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Shares	Equity Shares of our Company of face value ₹10.00 each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer 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 depository participants.
Escrow Account	Accounts opened with the Banker to the Issue.
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 Bidder/ Applicant/ Bidders	Bidder(s) whose name shall be mentioned in the Bid cum 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.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the 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 (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering.
Issue / Issue Size / Public Issue	Public issue of up to 22,41,600 Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs and 1,12,800 Equity Shares of face value ₹10 each for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs will be reserved for the subscription by the Market Maker.
Issue Closing Date	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Opening Date	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹[●] (including share premium of ₹[●] per Equity Share.

Term	Description
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 101 of this Draft Red Herring Prospectus.
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the SME Platform of BSE Limited (“ <b>BSE SME</b> ”) (“ <b>BSE</b> ”).
Market Maker	The Market Maker to the Issue, in this case being [●].
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of 1,12,800 Equity Shares of face value of ₹10 each at an Issue price of ₹[●] each aggregating to ₹[●] Lakhs to be subscribed by Market Maker in this issue.
Memorandum of Understanding / MOU	The Memorandum of Understanding dated January 10, 2025 between our Company and BRLM.
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.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 21,28,000 Equity Shares of face value of ₹10 each at ₹[●] per Equity Share including share premium of ₹[●] per Equity Share aggregating to ₹[●] Lakhs by Asston Pharmaceuticals Limited.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹2,00,000/-.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
Non-Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Offer, after retail portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
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.
Overseas Corporate Body/ OCB	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/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.

Term	Description
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Price Band	The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof.  The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
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 Account (s)	Account(s) opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Maashitla Securities Private Limited.
Registrar Agreement	The agreement dated November 29, 2024 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹2,00,000/-.
Registered Broker	Individuals or companies registered with SEBI as “ <b>Trading Members</b> ” (except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx">https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx</a>
Retail Portion	The portion of the Net Issue being not less than 50% of the Net Equity Shares which shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations.
Revision Form	The Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.  Retail Individual Bidders can revise their Bid during the Issue Period or withdraw their Bids until Bid / Issue Closing Date.
SEBI SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI.
SEBI Master Circular	The SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Term	Description
Self-Certified Syndicate Bank(s) / SCSB(s)	<p>The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.</p> <p>In relation to Bids (other than Bids by Anchor Investor) 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 at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> and updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time.</p>
SME Exchange/ BSE SME	<p>SME Platform of the BSE i.e. BSE SME.</p> <p>SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations.</p>
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs only ASBA Forms with UPI.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
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.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM 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 [●].
Systemically Important Non-Banking 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 a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. i.e. [●].

Term	Description
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●].
Unified Payments Interface (UPI)	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, and individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion.  Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI Circular	The 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, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number 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/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
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.
Willful Defaulter or Fraudulent Borrower	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business:  1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Red Herring Prospectus are open for business.  In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

## TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
ABDM	Ayushman Bharat Digital Mission
AIDS	Acquired Immune Deficiency Syndrome
AHU	Air Handling Unit
BRC/ e-BRC	Bank Realization Certificate/ electronic- Bank Realization Certificate
CAGR	Compound Annual Growth Rate
CDSCO	Central Drugs Standard Control Organization
CIN	Cost, Insurance and Freight
CTN	Cargo Tracking Note
cUTI	Complicated urinary tract infections
DGFT	Directorate General of Foreign Trade
ETP	Effluent Treatment Plant
EWB	Electronic Weighing Balance
FCM	Ferric carboxymaltose
FDA	Food & Drug Administration
FOB	Freight on Board/ Free on Board
FSSAI	Food Safety and Standards Authority of India
FPIs	Foreign Portfolio Investors
GMP	Good Manufacturing Practices
GST	Goods and Services Tax
Gol	Government of India
HFIs	High-Frequency Indicators
HSN	Harmonized System of Nomenclature
IES	Interest Equalisation Scheme
IPC	Indian Pharmacopoeia Commission
LVP	Large Volume Parenteral
MIDC	Maharashtra Industrial Development Corporation
NABL	National Accreditation Board for Testing and Calibration Laboratories
NTTB	New to the Basket
NQA	National Quality Assurance
PLI	Production Linked Incentive Scheme
PTL	Public testing Laboratory
QMS	Quality Management System
RoDTEP	Remission of Duties and Taxes on Exported Products
SVP	Small Volume Parenteral
USFDA	US Food and Drug Administration
WHO	World Health Organization

Term	Description
ABDM	Ayushman Bharat Digital Mission
AIDS	Acquired Immune Deficiency Syndrome
CAGR	Compounded Annual Growth Rate
CDSCO	Central Drugs Standard Control Organization
cUTI	Complicated urinary tract infections
FCM	Ferric carboxymaltose
FPIs	Foreign Portfolio Investors
GMP	Good Manufacturing Practices
GST	Goods and Services Tax
HFIs	High-Frequency Indicators
IPC	Indian Pharmacopoeia Commission
PLI	Production Linked Incentive Scheme



Term	Description
USFDA	US Food and Drug Administration
WHO	World Health Organization

## CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account.
Act or Companies Act	Companies Act, 2013, as amended from time to time.
AGM	Annual General Meeting.
AIF	Alternative Investment Fund
AO	Assessing Officer.
ASBA	Application Supported by Blocked Amount.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
BG	Bank Guarantee.
CAGR	Compounded Annual Growth Rate.
CAN	Confirmation Allocation Note.
CDSL	Central Depository Services (India) Limited.
CRR	Cash Reserve Ratio.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
DIN	Director's identification number.
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996.
DP ID	Depository Participant's Identification.
DPIIT	Department for Promotion of Industry and Internal Trade
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization.
ECS	Electronic Clearing System.
EGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
Financial Year / Fiscal Year / FY	The period of twelve months ended March 31 of that particular year.
FCNR	Foreign Currency Non-Resident Accounts
FDI	Foreign Direct Investment.
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board.
FPI	Foreign Portfolio Investment
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product.
GIR Number	General Index Registry Number.

Term	Description
Gov/ Government/GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standard.
ICSI	Institute of Company Secretaries of India.
ICAI	Institute of Chartered Accountants of India.
Indian GAAP	Generally Accepted Accounting Principles in India.
IRDAI	Insurance Regulatory and Development Authority of India
IST	Indian Standard Time
I.T. Act	Income Tax Act, 1961, as amended from time to time.
ITAT	Income Tax Appellate Tribunal.
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India.
Ltd.	Limited.
Pvt. Ltd.	Private Limited.
MCA	Ministry of Corporate Affairs.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Ministry of Finance, Government of India.
MOU	Memorandum of Understanding.
NA	Not Applicable.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
NOC	No Objection Certificate.
NR/ Non-Residents	Non-Resident.
NRE Account	Non-Resident External Account.
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations.
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
P/E Ratio	Price/ Earnings Ratio.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PIO	Person of Indian Origin.
PLR	Prime Lending Rate.
R & D	Research and Development.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SAT	Security appellate Tribunal.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSBs	Self-Certified Syndicate Banks.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI LODR Regulations/ SEBI LODR / LODR	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
SEBI Takeover	Securities and Exchange Board of India (Substantial Acquisition of Shares and

Term	Description
Regulations	Takeovers) Regulations, 2011, as amended from time to time.
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section.
Securities Act	The U.S. Securities Act of 1933, as amended.
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small and Medium Enterprises.
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time.
State Government	The Government of a State of India.
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE SME
STT	Securities Transaction Tax.
TDS	Tax Deducted at Source.
TIN	Tax payer Identification Number.
TRS	Transaction Registration Slip.
UIN	Unique Identification Number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.  In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association of Our Company*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft 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 the Draft Red Herring Prospectus is derived from our restated audited financial statements for the November 30, 2024 and financial year ended on March 31, 2024; March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in the Draft Red Herring Prospectus, and set out in the section titled "Restated Financial Statements" beginning on page 207 of the Draft Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year. In the Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft 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 on the financial disclosures presented in the Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled "Risk Factors", "Business Overview" and "Management's Discussion And Analysis Of Financial Position And Results Of Operations" beginning on page 28, 148 and 213 respectively of this Draft Red Herring Prospectus and elsewhere in the Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America, EUR or "€" are Euro currency.

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

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry 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 the Draft Red Herring Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the Draft 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.

## EXCHANGE RATES

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	Exchange Rate as on November 30, 2024	Exchange Rate as on March 31, 2024	Exchange Rate as on March 31, 2023	Exchange Rate as on March 31, 2022
1 USD	84.50	83.37	82.22	75.81
1 Euro	89.36	90.22	89.61	84.66

### Note:

If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Source: [www.fbil.org.in](http://www.fbil.org.in)

## DEFINITIONS

For definitions, please refer the chapter titled “Definitions and Abbreviations” beginning on page 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 283 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical facts constitute “forward looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

All forward looking statements 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. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Our Company operates in pharmaceutical sector, which is extensively regulated, any failure on our part to comply with the existing and future statutory and/or regulatory requirements in the pharmaceutical sector could adversely affect our business, results of operations and financial condition;
- We operate our own manufacturing facility for pharmaceutical products; however for certain products other than tablets, we rely on third-party manufacturers to procure the pharmaceutical products;
- We depend on the success of our relationships with our customers. We derive a significant part of our revenue from our major customers and we do not have long-term contracts with these customers. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.
- The loss of contract manufacturing tie-ups and the low entry barrier for contract manufacturing can affect production, order intake, revenue, cash flow, and profitability. The absence of exclusive agreements increases the risk of delays or disruptions in order execution, further impacting business operations;
- We have substantial working capital expenditure and may require additional financing to meet those requirements and have risk of receivables, which could have an adverse effect on our results of operations and financial condition;
- The property used by the Company for the purpose of its Registered Office and factory is not owned by us. Any termination of the relevant lease agreement in connection with such property or our failure to renew the same could adversely affect our operations;
- Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations;
- If we are not able to attract and retain sufficient qualified and trained personnel at our Company which may adversely affect our business.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections/chapters “Risk Factors”, “Business Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page 28, 148 and 213 respectively of this Draft Red Herring Prospectus. 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 gains or losses could materially differ from those that have been estimated.

Forward looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the BRLM, or any of their respective 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

In accordance with the SEBI ICDR Regulations, our Company, will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Issue.



## SECTION II - SUMMARY OF ISSUE DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Business Overview*”, “*Our Promoters and Promoter Group*”, “*Restated Financial Statements*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Outstanding Litigation and Material Developments*”, “*Issue Procedure*” and “*Main Provisions of The Articles Of Association*” beginning on pages 28, 62, 82, 101, 130, 148, 200, 207, 213, 223, 254 and 283 respectively of this DRHP.

### SUMMARY OF OUR BUSINESS

Our Company is engaged in the manufacturing and export of both pharmaceutical formulations and nutraceutical products in domestic and various African and Asian markets. Presently our Company is involved in the business of manufacturing and marketing of Tablets, Capsules, Oral Liquid, External Preparations (Ointment, Cream, Gel and Lotion), and Oral Powder (Sachet, Dry Syrup) etc. Apart from manufacturing products for direct sales, our Company also manufactures various pharmaceutical products for different marketers on loan license or contract manufacturing basis. As on the date of this Draft Red Herring Prospectus, we cater to multiple corporate clients on loan licence and/or contract manufacturing basis. Our Company basically gives contract for manufacturing the products to WHO-GMP certified contract manufacturers and FDA-accredited laboratories, ensuring adherence to industry standards from production to export. From manufacturing to exports and distributions, our Company takes responsibility and oversees each phase of the supply chain.

For more details, please refer chapter titled “*Business Overview*” beginning on page 148 of this Draft Red Herring Prospectus.

### SUMMARY OF OUR INDUSTRY

Indian pharmaceutical industry has a strong presence at the global level. “Pharmacy of the world” as it is often called offers around 60,000 generic brands across 60 therapeutic categories, accounting for 20 per cent of global generic drug exports by volume. Not surprisingly, eight of the top 20 global generic companies are based in India. 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 14<sup>th</sup> largest in terms of value. The Pharma sector currently contributes to around 1.72% of the country’s GDP.

For more details, please refer chapter titled “*Industry Overview*” beginning on page 130 of this Draft Red Herring Prospectus.

### OUR PROMOTERS

The Promoters of our Company are Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh.

### SIZE OF ISSUE

The following table summarizes the details of the Issue. For further details, see “The Issue” and “Issue Structure” beginning on page 62 and 249 respectively.

<b>Issue of Equity Shares</b>	Up to 22,41,600 Equity shares of ₹10/- each for cash at a price of ₹[●] per Equity share (including a premium of [●] per Equity Share) aggregating to ₹[●] Lakhs.
<b>Out Of which:</b>	
<b>(i) Fresh Issue <sup>(1)</sup></b>	Up to 22,41,600 Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Of which:</b>	
<b>Market Maker Reservation Portion</b>	Up to 1,12,800 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs.
<b>Net Issue</b>	Up to 21,28,000 Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs.

<sup>(1)</sup> The Issue including the Fresh Issue only and has been authorized by our Board pursuant to resolutions passed at its meetings held on December 10, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on January 06, 2025. The Issue and Net Issue shall constitute [●] % and [●] % of the post-issue paid-up Equity Share capital of our Company

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

		(₹ in Lakhs)
Sr. No	Particulars	Amount
1.	Funding capital expenditure requirements towards acquiring machinery in the manufacturing unit	600.00
2.	Funding the incremental working capital requirements of our Company.	1,300.00
3	Repayment and/or prepayment, in part or full, of certain of our outstanding borrowings availed by our Company	100.00
4.	General Corporate Purposes <sup>#</sup>	[●]
<b>Total*</b>		[●]

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC  
# the amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 101 of this Draft Red Herring Prospectus.

## PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS, PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Set forth is the Pre-Issue and Post- Issue shareholding of Our Promoters, Promoter group as a percentage of the paid-up share capital of the Company:

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Dr. Ashish Narayan Sakalkar	18,52,856	29.54%	[●]	[●]
Saili Jayaram More	18,52,856	29.54%	[●]	[●]
Sachin Chandrakant Badakh	6,25,968	9.98%	[●]	[●]
<b>Promoter Group</b>				
Nil	NA	NA	NA	[●]
<b>Total</b>	<b>43,31,680</b>	<b>69.07%</b>	[●]	[●]

## SUMMARY OF RESTATED FINANCIAL STATEMENTS

The summary details of Restated Financial Statements are as follows:

Particulars	As on November 30, 2024	For the year ended March 31		
		2024	2023	2022
		(₹ in lakhs)		
Share Capital	627.14	78.39	70.00	70.00
Net worth <sup>#</sup>	976.74	639.25	198.59	92.93
Total Revenue <sup>\$</sup>	2,225.98	1,584.09	719.19	1,055.46
Profit After Tax (PAT)	337.49	136.03	105.66	11.06
Earnings per share (Basic) (In ₹) <sup>@</sup>	43.05	18.92	15.09	93.00
Earnings per share (Diluted) (In ₹) <sup>@</sup>	5.38	2.37	1.89	11.62

Particulars	As on November 30, 2024	For the year ended March 31		
		2024	2023	2022
Net Asset Value per Equity Share before Considering Bonus Issue (₹)*	124.60	81.55	28.37	13.28
Net Asset Value per Equity Share after considering Bonus Issue (₹)*	15.57	10.19	3.55	1.66
Total borrowings <sup>^</sup>	697.11	681.99	524.51	330.96

#**Net Worth** = Restated Equity Share Capital plus Restated Reserves & Surplus.

\$**Total Revenue** = Restated Revenue from operations plus Restated Other Income.

@**Earnings per share (Basic & Diluted)** = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period.

\***Net Asset Value per Equity Share** = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding during the period.

<sup>^</sup>**Total Borrowings** = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings.

Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year 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/year.

Note: Our Company has issued Bonus equity shares in the ratio of 1: 7 as on October 01, 2024.

## QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Company as on the date of this Draft Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in lakhs)
<b>Company</b>						
By the Company	NA	NA	NA	NA	1	Unascertained
Against the Company	NA	NA	NA	NA	NA	NA
<b>Directors</b>						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
<b>Subsidiary</b>						

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in lakhs)
By Subsidiary	NA	NA	NA	NA	NA	NA
Against Subsidiary	NA	NA	NA	NA	NA	NA
<b>Group Company</b>						
By Group Company	NA	NA	NA	NA	NA	NA
Against Group Company	NA	NA	NA	NA	NA	NA

**Brief details of top 5 Criminal Case against our Promoters:**

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	NIL	NIL	NIL	NIL

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 223 of this Draft Red Herring Prospectus.

**RISK FACTOR**

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus.

**SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY**

As per Restated Financial Statements for the period ended November 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, no contingent liability exists.

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 207 of this Draft Red Herring Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

**ANNEXURE - Y: Restated Statement of Related Party Disclosures**

*As required under Accounting Standard 18 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.*

**Restated Financial Statements**

**A. List of Related Parties where Control exists and Relationships**

Name of Party	Nature of Relation
Ashish Narayan Sakalkar	Director and CEO
Saili Jayaram More	Director
Sachin Badakh	Director

Name of Party	Nature of Relation
Asston International	Director is a partner in firm
Vishakha Sakalkar	Relative of Director
Raj More	Relative of Director
Ferron Lifecare Private Limited	Companies under same management

**B. Transaction with Related Parties**

(₹ in lakhs)

Name of Party	Nature of Relation	Nature of Transaction	Amount of Transaction debited in 01-04-24 to 30-11-24	Amount of Transaction credited in 01-04-24 to 30-11-24	Amount of Transaction debited in 2023-24	Amount of Transaction credited in 2023-24	Amount of Transaction debited in 2022-23	Amount of Transaction credited in 2022-23	Amount of Transaction debited in 2021-22	Amount of Transaction credited in 2021-22
Ashish Narayan Sakalkar	Director and CEO	Director Remuneration	20.00	-	30.03	-	18.03	-	18.03	-
Saili Jayaram More	Director	Director Remuneration	20.00	-	30.03	-	18.03	-	18.03	-
Asston International	Director is a partner in firm	Loan Given / (payable)	-	-	-	119.47	-	-	119.47	-
Vishakha Sakalkar	Relative of Director	Salary	-	-	6.00	-	6.00	-	6.00	-
Raj More	Relative of Director	Salary	-	-	-	-	6.00	-	6.00	-
Sachin Badakh	Director	Factory expense	6.67	-	-	-	-	-	-	-
		Salary	8.00	-	-	-	-	-	-	-
Ferron Lifecare Private Limited	Companies under same management	Processing charges	128.84	-	70.20	-	38.00	-	81.81	-

**Outstanding Balance with Related Parties****(₹ in lakhs)**

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 30.11.2024	Amount outstanding as on 31.03.2024	Amount outstanding as on 31.03.2023	Amount outstanding as on 31.03.2022
Ashish Narayan Sakalkar	Director and CEO	Director Remuneration	2.50	53.65	9.42	0.50
Saili Jayaram More	Director	Director Remuneration	10.03	34.08	0.68	0.53
Asston International	Director is a partner in firm	Loan Given / (payable)	-	-	- 119.47	- 119.47
Vishakha Sakalkar	Relative of Director	Salary	-	0.50	0.50	2.49
Raj More	Relative of Director	Salary	-	-	0.50	2.49
Sachin Badakh	Director	Factory expense	-	-	-	-
		Salary	4.00	-	-	-
Ferron Lifecare Private Limited	Companies under same management	Processing charges	33.28	3.31	68.74	- 58.11

For details, please refer to chapter titled “**Restated Financial Statements**” beginning on page 207 of this Draft Red Herring Prospectus.

**FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our Promoter, members of the Promoter group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

**WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS**

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus set forth in the table below:

Sr. No.	Name of Promoters	No. of Shares acquired in last one year	Weighted Average Cost of Acquisition (in ₹) *
1.	Dr. Ashish Narayan Sakalkar	16,21,249	NIL
2.	Saili Jayaram More	16,21,249	NIL
3.	Sachin Chandrakant Badakh	5,47,722	NIL

The weighted average cost of acquisition of Equity Shares by our Promoter have been calculated by taking into account the amount paid by him to acquire and Shares allotted to him divided by number of shares acquired in last One (1) year:

\*As certified by M/s Doshi Doshi & Co., Chartered Accountants vide the certificate dated December 27, 2024.

#### AVERAGE COST OF ACQUISITION OF PROMOTERS

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition (in ₹) *
1.	Dr. Ashish Narayan Sakalkar	18,52,856	NIL
2.	Saili Jayaram More	18,52,856	NIL
3.	Sachin Chandrakant Badakh	6,25,968	7.50

The average cost of acquisition of Equity Shares by our Promoter have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.

\* As certified by M/s Doshi Doshi & Co., Chartered Accountants vide the certificate dated December 27, 2024.

#### DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares

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

Except as set out below, we have not issued any Equity Shares for consideration other than cash in the last one year

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
October 01, 2024	54,87,440	10/-	Nil	Other than Cash	Bonus issue 1:7

#### SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Prospectus.

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

Our Company has not applied for or received any exemption from complying with any provisions of securities laws 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 Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 148 and 213 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 28 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 213 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Information of the Company” prepared in accordance with the Accounting Standards (AS).*

### MATERIALITY

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

- 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 be having material impact in the future.

### INTERNAL RISK FACTORS:

- 1. Our Company operates in pharmaceutical sector, which is extensively regulated, any failure on our part to comply with the existing and future statutory and/or regulatory requirements in the pharmaceutical sector could adversely affect our business, results of operations and financial condition.**

We are subject to various laws and governmental regulations in India and other jurisdictions concerning our manufacturing operations, safety, health, environmental protection, and labor. Our compliance obligations include key environmental laws such as the Environment Protection Act, 1986 and its associated rules, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974, the Hazardous and Other Wastes (Management, Handling, and Transboundary Movement) Rules, 2016, and the Bio-



Medical Waste Management Rules, 2016. For further details on the applicable laws and regulations, refer to the section "**Key Industry Regulations and Policies**" on page 175.

We are continuing to be subject to extensive and increasingly strict laws and regulations, such as The Drugs and Cosmetics Act, 1940, and The Drugs and Cosmetics Rules, 1945. Failure to comply with these regulations may result in legal proceedings, third-party claims, or regulatory fines, adversely affecting our business, operations, and financial condition. While we have no such instances in the past, where any of the statutory authority has either temporarily or permanently suspended any registration/ license of any business operations. Amendments to these statutes may impose additional requirements, potentially forcing us to discontinue products, incur damages, pay fines or penalties, or face other liabilities and related litigation, all of which could negatively impact our business, prospects, financial condition, and operational results. These regulations impose controls on various aspects of our operations, including air and water discharges, noise levels, storage, handling, and employee exposure to hazardous substances. For instance, the release of chemicals, dust, or other pollutants into the environment exceeding permitted levels may expose us to liabilities toward government authorities and third parties and may necessitate remediation costs. We are required to obtain and maintain statutory and regulatory permits, licenses, and approvals under central, state, and local government rules to carry out our manufacturing operations. For more information on regulatory requirements and material approvals, see "**Key Industry Regulations and Policies**" and "**Government and Other Approvals**" on pages 175 and 226, respectively.

Additionally, our manufacturing unit may be subject to audits and approvals from international regulatory authorities. The manufacturing, storage and distribution of our products must comply with numerous quality, health, and safety regulations. Any amendments to environmental or pollution control laws may require us to invest in environmental monitoring systems, pollution control equipment, or emissions management, among other compliance measures.

Moreover, many of the permits and licenses we hold are granted for limited durations and require periodic renewal. Non-renewal or delays in obtaining these permits and licenses could adversely impact our operations, materially affecting our business, results of operations, and financial condition. Further pursuant to change of name of the Company upon conversion from Private Limited to Public Limited, we further need to get our licenses updated. Also, we have applied for approvals which are necessary for the furtherance of our objects. Failure by our Company to renew, alter, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. While we have no such instances in the past, where any of the statutory authority has either temporarily or permanently suspended any registration/ license of any business operations. We shall attempt to comply in spirit and in law with all the applicable laws. Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall 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 permits/ licenses/ approvals. Further pursuant to change of name of the Company upon conversion from Private Limited to Public Limited, we further need to get our licenses updated. Also, we have applied for approvals which are necessary for furtherance of our objects. Failure by our Company to renew, alter, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. We shall attempt to comply in spirit and in law with all the applicable laws.

There can be no assurance that the relevant authorities will grant such permits or approvals within the anticipated timeframe or at all. Further, some permits, licenses, and approvals are subject to specific conditions, and we cannot guarantee continuous compliance or that such compliance will be deemed satisfactory by the regulatory authorities. Any failure to obtain, maintain, or renew these permits, licenses, or approvals in a timely manner, or at all, could materially and adversely affect our business, results of operations, cash flows, and financial condition.

**2. We operate our own manufacturing facility for pharmaceutical products; however for certain products other than tablets, we rely on third-party manufacturers to procure the pharmaceutical products.**

We have our own manufacturing unit at Ambarnath, Thane, Maharashtra and also, we operate as a pharmaceutical marketing and distribution enterprise, offering a diverse range of formulation products under our proprietary brand names. To enhance our manufacturing capacity, we have made arrangements of contract manufacturing with 4 contract manufacturers where some of our approved formulations are manufactured through contract manufacturers, as we rely on third-party manufacturers for the production of our products manufactured and we are also in talks with a Gujarat based contract manufacturer to increase our strength of contract manufacturer to 5 and kind of de-risking the manufacturing capacity. We have been engaged in long-term agreements with these manufacturers; instead, orders are placed on a purchase-order basis as per their respective agreements. On average, our contract manufacturers require a lead time of approximately 60 days from the date of our purchase order to complete the manufacturing process. Some of our approved formulations are manufactured through contract manufacturers.

We conduct thorough due diligence on our contract manufacturers before placing orders. As of November 30, 2024, 2024 and March 31, 2024, we procured products from 3 and 15 contract manufacturers respectively.

While we have not never experienced any shortages in supply or quality issues from our contract manufacturers in the past three five financial years, any decline in the quality or delays in the delivery of products could adversely affect our operations. Additionally, there is no assurance of a continuous supply from these third-party manufacturers, nor do we have exclusivity over their services. As a result, competition for their services could arise. Any disruption or any preferential treatment given to our competitors by these manufacturers may negatively impact our financial performance and future growth prospects.

**3. We depend on the success of our relationships with our customers. We derive a significant part of our revenue from our major customers and we do not have long-term contracts with these customers other than contracts with 2 customers for one year. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.**

Our top ten customers have contributed 97.45%, 100% and 100% of our revenues for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively based on Restated Financial Statements. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. Details of our top customers are as follows:

The percentage of income derived from our top customers for the period ended November 30, 2024 and fiscal year ended 2024, 2023 and 2022 is given below:

(₹ in lakhs)

Sr. No.	Particulars	For the year ending March 31,							
		November 30, 2024		2024		2023		2022	
		Revenue	% <sup>(1)</sup>	Revenue	% <sup>(1)</sup>	Revenue	% <sup>(1)</sup>	Revenue	% <sup>(1)</sup>
1.	Top 1 Customer	508.63	24.59	453.62	29.03	258.51	39.54	242.01	25.21
2.	Top 5 customers	1,489.51	72.02	1,212.27	77.57	653.91	100	913.21	95.14
3.	Top 10 customers	1952.21	94.39	1,522.95	97.45	653.91	100	959.85	100

<sup>(1)</sup> Percentage (%) is calculated as a percentage of Total Sales.

In addition, we have not entered into any long-term agreements with our customers and the success of our business is accordingly significantly dependent on maintaining good relationships with them. The loss of one or more of these customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition, and cash flows.

Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customer's supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers -decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

We cannot assure you that we will be able to maintain historical levels of business and/or negotiate and execute long-term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Further, the sales volume may vary due to our customers' attempts to manage their inventory, market demand, product and supply pricing trends, change in customer preferences etc., which may result in decrease in demand or lack of commercial success of our products, which could reduce our sales and adversely affect our business, cash flows and financial conditions.

In addition, we are exposed to payment delays and/or defaults by our major customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honour their outstanding amounts in time and that they will be able to fulfil their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur with all or any of our major customers, our financial performance and our operating cash flows may be adversely affected.

**4. *The loss of contract manufacturing tie-ups and the low entry barrier for contract manufacturing can affect production, order intake, revenue, cash flow, and profitability. The absence of exclusive agreements increases the risk of delays or disruptions in order execution, further impacting business operations.***

The entry barrier for contract manufacturing and subsequent export is typically low, as no special certifications are required to engage contract manufacturers. Responsibilities such as raw material procurement, implementation, adherence to norms and standards, and compliance with FDA and FSSAI audits lie with the contract manufacturers and their facilities.

Currently, we have tie-ups with five contract manufacturers who produce medicines primarily for export. Their unit-wise revenue contribution to our overall revenue is significant, as shown in the table above. Any disruption in these tie-ups due to regulatory issues, financial instability, or preference given to competitors could adversely impact our production capabilities, order intake, revenues, cash flows, and profitability. Additionally, the lack of exclusive agreements with these manufacturers may result in delays in executing orders. If such tie-ups are lost, there is no assurance that new agreements can be established on favorable terms.

To mitigate these risks, our Company is prioritizing the establishment of additional tie-ups with contract manufacturers. This strategy reduces dependency on existing manufacturers, provides a buffer against potential disruptions, and strengthens our position in price negotiations.

Presently we have tie-ups with 5 (five) contract manufacturers. These are basically contract manufacturers to produce medicines for us to export. Hence any loss in such tie-ups can cause loss to our capabilities to contract produce for our client and can possibly curtail the order intake. Or any contract manufacturer suspended due to regulatory issues or gone bust or possibly giving preference to our competitors can cause significant loss to our revenues and can hurt cash flows and profitability. Also, since we do not have any exclusive agreement with such contract manufacturers, we may face delay in getting the orders executed. Also in case of loss of such tie-ups, we cannot assure that we may be able to have new tie-ups with another manufacturer with favorable terms and conditions.

As a matter to de-risk form such event, our Company is prioritizing to improve tie-ups with more contract manufacturers. Since we do not enter long term contracts or do not have any exclusive manufacturing agreements with them, having multiple tie-ups as a strategy augurs well for us. Firstly, it shall shield us in case of loss of any existing tie-ups and secondly it can also give us an upper hand in price negotiation.

**5. *We have substantial working capital expenditure and may require additional financing to meet those requirements and have risk of receivables, which could have an adverse effect on our results of operations and financial condition.***

Our business is working capital intensive as we require significant capital to operate and expand our Manufacturing Facilities. Our historical working capital expenditure has been and is expected to be primarily used towards the working capital requirements. Historically, we have funded our working capital expenditure requirements through a combination of equity or internal accruals and loans.

The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, delay in obtaining regulatory approvals, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments and new opportunities in the automotive components industry.

Our sources of additional financing required to meet our working capital expenditure plans may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, would result in a dilution of your shareholding. We place order with our contract manufacturers or manufacture products in our facility itself, once we receive the purchase order from our clients. After the execution of the order, goods are shipped to the clients through port. Right from execution of the order to shipping of order and reception of goods to their designated clients at designated location, it typically takes 90 days. Our capital is blocked for 90 days for the entire billed value. Hence we have a huge working capital cycle requirement and higher the order value, higher is the working capital requirement.

We are sometimes constrained to take new order or higher value order because of working capital requirement. However, with matured relationship over the years we shall negotiate future contract with advance payments from client and milestone based contracts.

Our books always have outstanding receivables because our working capital cycle typically spans 115 days, and clients make payments only after receiving the products. This creates a constant risk of unpaid receivables. If a client defaults or goes bankrupt, it could severely impact our cash flow and operations, potentially forcing us to raise funds to sustain the business. There is no guarantee that we will be able to secure sufficient funding or obtain it at favorable terms, which could significantly affect our profitability. Additionally, delays in receiving payments could extend our working capital cycle and negatively impact our bottom line.

When we ship products to clients, we provide the CTN number to the governing bodies in the clients' countries, typically their pharmacy boards. Any delays, breaches of agreements, or non-payment by clients could lead to action from these pharmacy boards, including blacklisting the companies for non-payment. This practice ensures that we have never faced any NPAs on our receivables to date. Additionally, we maintain regular follow-ups and meetings with our clients to ensure timely payments.

**6. *The property used by the Company for the purpose of its Registered Office and factory is not owned by us. Any termination of the relevant lease agreement in connection with such property or our failure to renew the same could adversely affect our operations.***

Our registered office is at Belapur from where we perform and direct all the functions pertaining to business i.e. purchase order, execution, regulatory liaise, export, receivables, etc Also all accounting and compliance related work and officials sit at this location. We have entered into a 55 months' lease ending in October 2028. Also our factory at Ambarnath MIDC is on lease with tenure expiring in April 2029.

In the event of abrupt termination/ non-renewal of said rent agreements, we may be required to vacate such premises which may cause disruption in our corporate affairs and business and impede our effective operations and thus can adversely affect our business, financial condition and result of operations.

There can be no assurance that we will, in the future, be able to renew the agreements for the existing locations on same or similar terms or will be able to find alternate locations for the offices on similar terms favorable to us, or at all. We may also fail to negotiate the renewal of our rent agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, affecting our financial condition and operations. However, we confirm that there were no past instances where our company has suffered due to termination/ non-renewal of any rent agreements. We are actively in touch with our licensor and confident of increasing the tenure of the premises at the expiry of the lease period.

7. ***Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.***

Our Promoters bring huge expertise and know-how of the business. They give strategic direction to the company from execution, to entering new product categories and entering new geographies, achieving cost efficiencies, acquisition, etc. This experience is invaluable and irreplaceable. Losing them pose a significant risk to our company. Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is a significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “*Our Management*” on page 185 of this Draft Red Herring Prospectus

8. ***If we are not able to attract and retain sufficient qualified and trained personnel at our Company which may adversely affect our business.***

In the Pharmaceutical sector, the ability to attract and retain highly qualified and trained personnel is critical to the success of a company. This industry requires a workforce with specialized skills in formulations, API knowledge, FDA regulations and compliances, etc. Failure to secure a sufficient number of skilled professionals can have a detrimental impact on the company's ability to execute projects efficiently and meet client expectations, ultimately affecting business growth and profitability.

The Pharmaceutical business depends heavily on a skilled and stable workforce to ensure efficient project execution and client satisfaction. Failure to attract and retain the necessary talent can lead to operational inefficiencies, delays, increased costs, and damage to the company's reputation, all of which could adversely

impact our business. Developing strategies to recruit and retain top-tier talent is essential for maintaining competitiveness and driving growth in this industry.

**9. We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.**

Our Company was converted into Limited Company in recent past and consequently the name of our Company was changed to “Asston Pharmaceuticals Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai, Maharashtra dated August 29, 2024. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act.

Our Company is required to make filings under various rules and regulations applicable under the Companies Act, 2013. A few ROC forms have not been filed within the stipulated time period at some instances. Following is the list of Forms filed with ROC for which the company has paid late filing fees/Penalties.

Sr. No.	Particulars	Form(s)	Due Date of Filing	Actual Date of filing causing delay	Total No. of Delay (in days)
1	Filing of resignation of the previous auditor (2024-25)	ADT 3	within 30 days of the resignation	11-06-2024	37
2	Conversion of private limited company into limited	INC-27	within 15 days of passing the special resolution	08-08-2024	37
3	Filing of board resolution for issuance of bonus	MGT 14	within 30 days of passing the special resolution	07-10-2024	13
4	MGT 14 for CFO APPOINTMENT	MGT 14	within 30 days of passing the board resolution	11-12-2024	70
5	Form of filing Financial statement for the FY 2023-24	AOC 4	With in 30 Days from the date of Annual General meeting	28-11-2024	30
6	Filing of Annual Return for the F.Y 2023-24	MGT 7	With in 60 days from the date of Annual General meeting	10-12-2024	11
7	Filing of Reconciliation of Share Capital Audit Report (Half-yearly) for the period ended on 30.09.2024	PAS 6	With in 60 days from the end of the half year	03-12-2024	5
8	Filing of resolution to issue equity share of the company on a preferential basis	MGT 14	Within 30 days of passing of resolution	17-01-2024	11
9	Form for filing financial statement for the F.Y 2022-23	AOC 4	With in 30 Days from the date of Annual General meeting	09-11-2023	11

Sr. No.	Particulars	Form(s)	Due Date of Filing	Actual Date of filing causing delay	Total No. of Delay (in days)
10	Form for filing financial statement for the F.Y 2021-22	AOC 4	With in 30 Days from the date of Annual General meeting	31-10-2022	2
11	Modification of charge of loan from Bank of Maharashtra	CHG 1	WITHIN 30 DAYS	21-07-2022	2
12	Creation of charge of loan from Bank of Maharashtra	CHG 4	Within 30 days	22-10-2022	55
13	Satisfaction of charges (for loan from AU Small Finance Bank Limited)	CHG 4	Within 30 days	16-11-2022	2

Further, our Company is going to the public for further requirement of funds and needs to comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations. Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation

10. ***All our manufacturing facilities are situated at Ambernath, Thane, Maharashtra resulting in concentration in a single region. Any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.***

Our Registered office and factory and all the existing contract manufacturers facility are based in Maharashtra. Thereby resulting in concentration in a single region, posing a concentration risk. The occurrence of any significant localized social unrest, natural disaster, delay in production at, or shutdown of, or any interruption, including political instability, workforce productivity issues, regulatory compliance challenges, production cost difficulties, or quality assurance concerns, along with unforeseeable events such as natural disasters or pandemics like COVID-19 in or around Maharashtra, or any delay or disruption in production at our manufacturing units could significantly impact our business and financial condition.

The concentration in Maharashtra heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes in the state of Maharashtra, which may have a material adverse effect on our business, financial condition and results of. Any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Maharashtra or any disruption in production at, or shutdown of, our manufacturing facilities could have material adverse effect on our business and financial condition.

Sr. No	Name of the Facility	Type	Tenure and Expiry Date	Location
1	Registered Office	Leased	55 Months and 31 <sup>st</sup> October 2028	Office No. A-431, Balaji Bhavan, Plot No 42A, Sector-11, CBD Belapur, Navi Mumbai, Thane, Maharashtra, 400 614
2	Manufacturing Facility	Leased	5 years and 31 <sup>st</sup> March 2029	K-50, additional MIDC, Ambernath

As depicted in the table above, we have our registered office and lone company owned manufacturing facility at Belapur and Ambarnath. Both these locations are in Maharashtra. Also all the contract manufacturing facilities are in the state of Maharashtra. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect manufacturing operations, and require a modification of our business strategy, or require us to incur significant capital expenditure or suspend our operations. Our business is dependent upon our ability to manage our manufacturing activities, which are subject to various operating risks, including political instability, productivity of our workforce, compliance with regulatory requirements, difficulties with production costs, product quality and those beyond our control, such as the breakdown and failure of equipment or industrial accidents, disruption in electrical power or water resources, severe weather conditions, natural disasters and an outbreak of any pandemic. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. Moreover, some of our products are permitted to be manufactured only at such facility which has received specific approvals, and any shutdown of such facility will result in us being unable to manufacture a product for the duration of such shutdown. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to delays in the entire production cycle and an inability to comply with our customers' requirements and lead to loss of revenue to us and our customers.

Although we have not experienced any strikes or labor unrest in the past three years, we cannot assure you that we will not experience disruptions in work in the future due to disputes or other problems with our work force. Any labor unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations, which in turn could adversely affect our business, results of operations, financial condition and cash flows

**11. Our Company may incur penalties or liabilities for non-compliance with certain provisions of the GST Act, Income Tax and other applicable laws in previous years.**

Our Company has incurred penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under applicable acts to it in the past years including EPF, ESIC and GST. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur penalties or liabilities which may affect the results of operations and financial conditions of the company in near future.

The details of late filings in past years are given below:

GST:

Financial Year	Return Month	Return Type	Due Date	Filing Date	Delayed Number of Days
2021-22	May	GSTR1	12.06.2021	23.06.2021	11
2021-22	June	GSTR1	12.07.2021	16.07.2021	4
2021-22	September	GSTR1	12.10.2021	14.10.2021	2
2021-22	December	GSTR1	12.01.2022	15.01.2022	3
2021-22	April	GSTR3B	20.05.2021	04.06.2021	15
2021-22	May	GSTR3B	20.06.2021	08.07.2021	18
2021-22	June	GSTR3B	20.07.2021	21.07.2021	1

ESIC:

Financial Year	Return Month	Return Type	Due Date	Filing Date	Delayed Number of Days
Company has obtained ESIC in FY 2024-25					

EPF:



Financial Year	Return Month	Return Type	Due Date	Filing Date	Delayed Number of Days
Company has obtained EPF in FY 2024-25					

Also, our Company has delayed in depositing TDS in a few occasions and Income tax payment for FY 2023-24 is yet to be paid. Further, we confirm that as on the date of this Draft Red Herring Prospectus all the dues have been paid by our company and aside from the late filing penalty, there are no additional risks associated with delayed filings. The company is committed to implementing measures to ensure timely submissions in the future.

**12. *Intense competition from the other contract manufacturers/ manufacturers in the generic and nutraceuticals space***

Our majority of revenue is derived from the generic and nutraceuticals segments. We work with a single contract manufacturer, based in Jalgaon, Maharashtra, that produces antibiotics for us. However, the revenue generated from antibiotics is a smaller portion of our overall revenue when compared to the combined revenue from generics and nutraceuticals. Generic and nutraceutical medicines typically have lower entry barriers in terms of regulatory requirements and costs, making these sectors highly competitive. As a result, our company may face pricing pressures that could impact our margins, profitability, and overall growth potential. To address these challenges, our Company is implementing a three-pronged strategy. First, we aim to expand our customer base in the African region. Second, we plan to broaden our product offerings. Third, we are focused on expanding into new geographies, including Asia, and targeting more stable, high-margin markets such as North America and Europe in the future. In line with this strategy, our company has already registered in Cambodia and plans to register in Laos and Vietnam in the near future. Additionally, we are exploring more stable African markets like Zambia and Nigeria.

**13. *We are highly dependent on our suppliers for uninterrupted supply of raw-materials. We have not entered into any long-term supply agreement for the major raw materials required for manufacturing of our products. Also volatility in the prices and non-availability of these raw materials may have an adverse impact in our business prospects, results of operations and financial condition.***

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. Further, in view of the various travel restrictions has been imposed in various countries, we may not be able to procure adequate amount of raw materials for our manufacturing unit. The pharmaceutical products qualify as essential commodities, therefore generally their demand has not been deterred by the ongoing pandemic and the nationwide lockdown imposed by various governments. In view of the above, we will have to source adequate raw materials for our manufacturing unit to cater to the consistent demand of our pharmaceutical customers. Furthermore, the demand of pharmaceutical products is seeing an increasing demand due to the health crisis caused due to the pandemic, accordingly the demand of our products is also likely to rise. In the event, due to logistical glitches and restrictions on crossing state and country borders imposed by various governments, we are not able to procure the required amount of raw materials, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to procure the required amount of raw materials in the backdrop of the global pandemic, we cannot assure you that we will be able to do in a cost effective manner, which may impact our pricing and profitability. We are highly dependent on the prime raw material for our products. We procure our supply of raw materials from various vendors from local market. We have not entered into any long-term supply agreement for supply of major raw materials.

The details of raw material consumption from our top 1, 3, 5 and 10 suppliers for stub period and for preceding 3 financial years is mentioned as follows:

(₹ in lakhs)

Particulars	Period ended		For Financial Year					
	November 30, 2024		March 2024		March 2023		March 2022	
	Amount	*%	Amount	*%	Amount	*%	Amount	*%
Our Largest Supplier	185.80	24.73	100.65	12.13	58.34	15.76	240.45	40.39
Our top three Supplier	305.80	40.61	259.83	31.31	153.80	41.54	330.67	55.55
Our top five Suppliers	375.45	49.98	321.09	38.70	204.83	55.34	380.61	63.94
Our top ten Suppliers	477.40	63.55	437.31	52.70	274.80	74.22	468.85	78.76

Our Company procures raw materials on an order basis from a list of registered suppliers, as per our internal demand projections. We do not have long-term contracts with these suppliers, and raw material prices are typically based on quotes from various sources. Since our suppliers are not contractually obligated to supply exclusively to us, they may choose to sell to our competitors. This exposes us to risks such as non-availability, insufficient supply, or substandard quality of raw materials, which could adversely affect our manufacturing processes, operations, and financial performance.

Any discontinuation of production by these suppliers, failure to meet delivery schedules, or inability to provide materials of the required quality and quantity could disrupt our production schedules. Additionally, strong demand, capacity constraints, or other challenges faced by our suppliers may occasionally lead to shortages or delays in material supply.

Although we have been able to secure timely supplies of raw materials for our current activities, and these materials are readily available in the domestic market, any unfavorable changes in procurement terms or disruptions in supply could increase our costs and impact our operations. Dependence on third parties for raw materials also means that any disruption on their end could adversely affect our business, prospects, and financial results.

**14. *The availability of counterfeit drugs, such as those passed off by others as our products, and the introduction of alternative pharmaceutical products due to changes in technology or consumer needs, could adversely affect our goodwill, results of operations, financial results, and business prospects.***

Organizations, whether operating within India or internationally, may produce and distribute counterfeit or pirated products that unlawfully replicate our brand name, packaging design, or otherwise create deceptively similar goods, misrepresenting them as our Company's products. Such activities could result in a reduction in our market share, replacement of demand for our genuine products, and a consequent adverse impact on our goodwill. Although there have been no reported instances of counterfeit drugs in the past three financial years, the proliferation of counterfeit and pirated products poses a significant risk to our business.

Defending against claims or complaints arising from counterfeit products diverts management's time and attention and could have a material adverse effect on our goodwill, business prospects, operational results, and financial condition. Furthermore, the presence of counterfeit or pirated products in the market may undermine consumer trust in our brand, exacerbating the impact on our reputation and revenue.

In addition, our business is inherently influenced by changes in technology, consumer preferences, market perceptions of our brand, convenience factors, and health and safety norms. Our ability to anticipate and adapt to these changes by developing and introducing new or enhanced products in a timely and effective manner is critical to maintaining our competitive edge and sustaining growth.

There is no assurance that we will remain abreast of technological advancements or that we will successfully respond to evolving consumer preferences. Substantial shifts in consumer needs or customer priorities may

adversely impact the demand for our products. Failure to accurately predict or meet the changing demands of the pharmaceutical industry and consumer markets could materially and adversely affect our business operations, profitability, and growth prospects.

**15. *We have only one Manufacturing Facility, continued operations of our manufacturing facility is 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.***

As of the date of this Draft Red Herring Prospectus, we operate a single manufacturing facility located in MIDC, Anand Nagar, Ambernath, Thane, Maharashtra, dedicated to the production of pharmaceutical formulations. The operation of this facility is subject to inherent risks, including but not limited to the unavailability of critical spare parts, machinery breakdowns, obsolescence or failure of production equipment, disruptions in power supply, and performance inefficiencies. Additionally, unforeseen events such as local social unrest, natural disasters, or interruptions in essential utilities could materially and adversely affect our business, financial condition, and operational results.

Any prolonged shutdown of the manufacturing unit could significantly impact our ability to meet supply commitments, thereby adversely affecting our earnings, financial condition, and overall operations. Rising living costs in the vicinity of the facility may result in increased labour expenses, potentially eroding our profit margins and cost competitiveness. Moreover, any industrial accidents or safety incidents could compel us to suspend operations, impairing our ability to meet production schedules and contractual obligations, which could negatively impact our business.

Furthermore, non-compliance with regulatory requirements, such as Good Manufacturing Practices (GMP), or any contravention of applicable laws and regulatory approvals, may necessitate a temporary or indefinite suspension of operations until such non-compliance is rectified to the satisfaction of the relevant regulatory authorities. We cannot guarantee that we will not experience work stoppages or disruptions resulting from labor disputes or other employment-related issues, which could materially affect our production schedules and have an adverse impact on our business, financial condition, cash flows, and results of operations.

**16. *Our business operations are majorly concentrated in certain geographical regions and on exports for overall revenues and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.***

Our Company's manufacturing unit is located in Ambernath, Thane, Maharashtra. With our manufacturing unit concentrated in this region, we are susceptible to various regional and environmental factors, including social unrest, regional conflicts, economic fluctuations, adverse weather conditions, natural disasters, and other unforeseen events. These disruptions could lead to damage or destruction of our facilities, significant transportation delays for raw materials and finished products, loss of key personnel, and adverse effects on our business operations, financial condition, and overall performance.

Maharashtra accounts for a significant portion of our domestic sales, contributing ₹265.84 Lakhs out of the total ₹326.94 Lakhs in domestic sales during the period ended November 2024, and ₹39.88 Lakhs in FY 2023–24. Additionally, Gujarat contributed ₹61.10 Lakhs during the period ended November 2024. On the export front, our sales have been substantial, with exports contributing ₹1,741.21 Lakhs during April 2024 to November 2024, compared to ₹1,522.95 Lakhs in FY 2023–24, ₹653.90 Lakhs in FY 2022–23, and ₹959.85 Lakhs in FY 2021–22.

This heavy reliance on Maharashtra for domestic sales and on exports for overall revenue highlights a dual concentration. Such concentration exposes us to risks associated with regional competition, economic or demographic changes in Maharashtra and global market fluctuations. Diversifying our geographic reach and customer base is crucial to mitigating these risks and enhancing the resilience of our business.

The contribution of Export and domestic market including two states to our total revenue is as follows:

*(₹ in lakhs, except for percentage)*

Particulars	Apr-24-Nov-24	% of Total Sales	FY 2023-24	% of Total Sales	FY 2022-23	% of Total Sales	FY 2021-22	% of Total Sales
<b>Domestic Sales</b>								
Maharashtra	265.84	12.85%	39.88	2.56%	-	-	-	-
Gujarat	61.1	2.95%	-	-	-	-	-	-
<b>Total of Domestic Sales</b>	<b>326.94</b>	<b>15.80%</b>	<b>39.88</b>	<b>2.56%</b>	-	-	-	-
<b>Exports Sales</b>								
Mali	386.62	18.69%	351.79	22.50%	24.56	3.76%	-	-
Ghana	-	-	53.87	3.45%	104.91	16.03%	-	-
Liberia	-	-	-	-	-	-	356.17	37.11%
Sierra Leone	1,354.59	65.50%	985.12	63.03%	524.43	80.21%	361.67	37.68%
United Kingdom	-	-	132.17	8.46%	-	-	242.01	25.22%
<b>Total of Export Sales</b>	<b>1,741.21</b>	<b>84.19%</b>	<b>1,522.95</b>	<b>97.44%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>
<b>Total</b>	<b>2,068.16</b>	<b>100%</b>	<b>1,562.83</b>	<b>100%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>

We derive bulk of our revenues from export market. Hence we are exposed to multi risk factors like Credit risk, exchange rate risk, supply chain disruptions, regulatory changes, natural disasters, global economic conditions, government policies and trade regulations, cultural hurdles, product adaptation, etc.

In the event of realization of any such events at an unprecedented scale, we may face significant business loss and can even pose risk to the continuity of our business. We may not be able to generate enough cash flows to sustain operations. However, as a prudent strategy, we are trying to improve our revenue mix. We are increasingly focused to domestic markets also and looking to increase our revenue share from domestic operations gradually. Hence as a matter of fact and as a resultant of such strategy, our revenue from the domestic market has grown to ₹326.94 lakhs contributing to 15.81% to the total revenue for the period ended up to 30th November 2024 from just ₹39.88 lakhs contributing to 2.48% of the total revenue in the fiscal ended 2024. We shall increasingly try to improve this ratio further, though majority of our revenues shall still continue to be from export markets. All our clients are Africa based and majority of our revenues comes from Sierra Leone.

Sr. No.	Particulars	For the period ended		For the year ending March 31,					
		November 30, 2024		2024		2023		2022	
		Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>
1	Top 1 client	508.63	24.59	453.62	29.03	258.51	39.54	242.01	25.21
2	Top 2 client	842.89	40.75	745.85	47.73	511.68	78.26	468.29	48.79

(1) Percentage (%) is calculated as a percentage of Total Sale of Products.

We derive bulk of our revenues from clients based in African continent. Of this revenue portion, majority of it comes from Sierra Leone. Hence any political instability or force majeure events, violence and arson, civil war,

sovereign degradation, etc in Sierra Leone can have significant impact on our revenues and our profitability. African continent per se has history pertaining to political instability, civil wars, uprising and revolts. Many of the countries in African continent are among least developed economies. These events can have significant impact on these countries in Africa and thus great ramifications on the business of our company.

However, as a strategy to diverse our geographical reach of our customers and de-risk from African region we are entering other countries as well. We shall also look to delve into North America and Europe markets as well in the future. These markets are much stable and developed and offers higher margin compared to African region.

As we expand into new markets and geographical areas, we may face competition from national and local players with established local presences and stronger relationships with local customers, government authorities, and suppliers. This could put us at a competitive disadvantage. While we believe we have the necessary expertise and vision to expand into other markets, investors should consider the risks, losses, and challenges we face and should not rely solely on our past performance as an indication of our future performance.

**17. Our Company has reported certain negative cash flows from its operating and investing activities, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows from its operating, investing and financing activities in the previous years as per the restated financial statements and the same are summarized as under:

(₹ in lakhs)

Particulars	For the period ended	For the year ending March 31,		
	November 30, 2024	2024	2023	2022
Net cash flow from Operating activities	39.67	(334.84)	(30.26)	(115.47)
Net cash flow from Investing activities	89.31	(0.54)	(91.21)	(0.20)

Additionally, if we fail to protect our own intellectual property, our competitors or other third parties may copy, steal, or misuse our ideas, products, or services. This can lead to lost revenues, decreased market share, or erosion of our competitive advantage. Moreover, any unauthorized use, reproduction, or distribution of our copyrighted material without our permission will result in legal action and may lead to financial penalties, damage to our brand reputation. It is essential for us to protect our copyrighted material and ensure that it is used only with our permission, to avoid any negative impact on our business operations. Defending our intellectual property rights can be expensive and time consuming, and we may not be able to prevent others from infringing or challenging our rights.

**18. We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements. We are yet to place orders 100% of the Plant & Machinery, as specified in the Objects of the Issue chapter. Any delay in procurement of such Plant & Machinery may delay the schedule of implementation and may also lead to increase in cost of these Plant & Machinery, further affecting our revenue and profitability.**

Although we have identified the installation of Plant & Machinery required. However, we are yet to place orders for 100% installation of Plant & Machinery worth Rs. 600.00 Lakhs as detailed in the “Objects of the Issue” beginning on page 101 of this Draft Red Herring Prospectus. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the issue and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Delay in procurement of the same can cause time and cost overrun in the implementation of our proposed expansion and

can also compel us to buy the same at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

**19. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favorable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer "*Annexure 27 – Related Party Transactions*" on page no. 207 of this Draft Red Herring Prospectus.

**20. *We rely on third-party suppliers for the supply of raw materials, and any delay, interruption, or reduction in such supply could adversely affect our business, results of operations, financial condition, and cash flows. Additionally, we conduct our business activities on a purchase order basis without entering into long-term agreements with our customers***

We rely on third-party suppliers for the majority of our raw materials, including packaging materials, which are susceptible to supply disruptions and price volatility influenced by fluctuations in commodity markets, quality and availability, consumer demand, and changes in government policies or regulatory sanctions. We procure these raw materials through purchase orders without long-term contractual arrangements, making us vulnerable to interruptions in supply. Additionally, we depend on third-party transportation providers for logistics services, also without long-term contracts, and any disruptions in these services could impede the timely procurement of raw materials and delivery of our products.

Although we have not faced significant disruptions in the past, we cannot guarantee uninterrupted supply in the future, and any such issues could adversely affect our business, operations, financial condition, and cash flows. Furthermore, our business model involves manufacturing pharmaceutical products based on customer orders without formal agreements or long-term arrangements. We depend on maintaining continuous relationships with customers, traders, and the consistent quality of products supplied to us.

We do not have exclusive agents, dealers, or distributors, nor have we entered into agreements with market intermediaries for selling or marketing our products. Any changes in market conditions, customer preferences, or our inability to adapt to evolving industry trends or meet customer demands could directly impact our revenue and customer base. Failure to procure new orders regularly could adversely affect our business, revenue, cash flows, and overall operations.

**21. *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. Our Company's cost of raw material consumed of our revenues from operation in for the period ended November 30, 2024 and Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively is as stated below:

(₹ in lakhs)

Particulars	Nov-24	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations	2,068.16	1,558.62	653.8	959.85

Particulars	Nov-24	FY 2023-24	FY 2022-23	FY 2021-22
Cost of materials consumed	1,152.69	975.41	334.93	767.37
<b>% of Cost of materials consumed to revenue from operations</b>	<b>55.73%</b>	<b>62.58%</b>	<b>51.23%</b>	<b>79.95%</b>

If we are unable to manage these costs or increase the prices of our products to offset these increased costs, our margins, cash flows and our profitability may be adversely affected. 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.

22. ***Our business is subject to a variety of safety, health and environmental laws, labour, and workplace related laws and regulations. Any failure on our part to comply with these applicable laws and regulations could have an adverse effect on our operations and financial condition.***

Our Company is subject to various central, state and local environmental and safety laws. While we believe that our facility is currently in compliance in all material respects with applicable environmental laws, legislations and regulatory requirements, additional costs and liabilities related to compliance with these laws and regulations may impact our business. For further details, kindly refer to the chapter ‘Government and Other Approvals’ beginning on page 226 of this Draft Red Herring Prospectus. Further, any changes in the applicable laws and regulations in the future may create substantial environmental compliance or remediation liabilities and costs, including monetary fines, criminal penalties on our Company’s officers for violation of applicable laws, or imposition of restrictions on our Company’s operations (which may include temporary suspension or closure of its operations). We may also, in the future, become involved in legal or regulatory proceedings, in relation to which we may be required to comply with more rigorous environmental or safety standards, or to incur significant capital and operating expenses and / or remedial costs. These factors may adversely affect our revenues and operations. Further, since we need labour to run our manufacturing unit, our Company is subject to variety of workplace related laws and regulations. We are required to maintain records and also file periodic returns in relation to the same. Although, we believe that we have complied with all the applicable laws and regulations, in the event of any breach of such laws and regulations, we may be subject to penal consequences which would adversely affect our operations and financial condition.

23. ***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 pharmaceutical products, and consequently, our revenues are significantly reliant on customers from the pharmaceutical industry. The loss of any customer within this or any other industry to which we cater could materially and adversely affect our sales, business operations, and financial performance.

Furthermore, any shift within the pharmaceutical industry towards the in-house development of products may adversely impact the demand for our offerings. Similarly, the introduction of a breakthrough in the development of a novel product or raw material by our competitors or customers may render our products obsolete or lead to their substitution by such alternatives, thereby adversely affecting our revenues and profitability.

In addition, should our competitors enhance the efficiency of their manufacturing, distribution, or raw material sourcing processes and consequently offer similar or superior products at lower prices, our Company may face challenges in adequately responding to such developments. Such circumstances could materially impact our market position, revenues, and profitability.

**24. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows.**

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory, we may be required to dispose off our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of our products and local transportation. Should our supply of our products be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation.

The following table sets forth details on our inventory levels, as per our Restated Financial Information, as of and for the years indicated.

(₹ in lakhs)

Particulars	For the period ended	For the year ending March 31,		
	November 30, 2024	2024	2023	2022
Inventory (₹ in lakhs)	17.70	143.89	150.08	50.33
Inventory holding days	17	55	109	41

In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products, but there is not guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

**25. Our Company has incurred indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.**

As on November 30, 2024 we had ₹697.11 lakhs of outstanding borrowings on our balance sheet that includes Rs. 676.24 lakhs of unsecured loans from various lenders including Axis Bank Limited, Ashv Finance Limited, Bajaj Finance Limited etc. In the event that we fail to meet our debt servicing obligations under our financing documents, the relevant lenders could declare us to be in default, accelerate the maturity of our obligations or sell our Company's movable and immovable assets.

Our business requires funding for capital expenditure and working capital requirements. The actual amount and timing of future capital expenditure may depend on several factors, among others, new opportunities, availability of land, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.



In case there is insufficient cash flow to meet our working capital requirement or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition. Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

Further, our level of indebtedness has important consequences to our Company, such as:

Increasing our vulnerability to general adverse economic, industry and competitive conditions;

- Limiting our flexibility in planning for, or reacting to, changes in our business and the industry; affecting our credit rating;
- Limiting our ability to borrow more money both now and in the future; and
- Increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected.

**26. *We are 100% dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations could adversely affect our business, financial condition and results of operation.***

To ensure the smooth functioning of our manufacturing operations, it is imperative to maintain an uninterrupted supply and transportation of raw materials from our suppliers to our manufacturing unit, as well as the transportation of finished products from our unit to our customers. Such transportation is subject to various uncertainties and risks. Our Company relies significantly on third-party transportation providers for the delivery of raw materials and products. Any disruptions, such as transportation strikes, delays, or logistical issues, could adversely impact our supply chain and delivery schedules, thereby affecting our operations and financial performance.

Further, raw materials and finished products are susceptible to loss or damage during transit due to factors such as accidents, mishandling, or natural disasters. Any such incidents could materially and adversely affect our operations, as well as our financial condition.

Our Company has not entered into long-term agreements with transporters for our manufacturing operations, and transportation costs are typically determined based on mutual terms and prevailing market rates. In the absence of formal agreements, there can be no assurance that transport agencies will consistently fulfill their obligations or adhere to our understanding. Moreover, the lack of contractual arrangements may limit our ability to take legal recourse in the event of a breach or negligence by the transport agencies.

Additionally, since these transport agencies are not contractually bound to work exclusively with us, there exists a risk of competitors offering more favorable terms or prices, which could incentivize the transport agencies to prioritize their services for our competitors. Such occurrences could adversely affect the timely supply of raw materials and the delivery of finished goods, thereby impacting our business operations, financial condition, and results of operations.

27. ***We have not commissioned an industry report for the disclosures made in the section titled ‘Industry Overview’ and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled “Industry Overview” beginning on page 130 of this Draft Red Herring Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

These facts and statistics included in “Summary of Industry” and “Industry Overview” on pages nos. 130 of this Draft 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the industry data mentioned in this Draft Red Herring Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context.

28. ***Any reduction in the demand for our products could lead to the underutilization of our manufacturing capacity. We may also face surplus production of a particular product due to various reasons including inaccurate forecasting of customer requirements, which could adversely affect our business, results of operations, financial condition and cash flows.***

We face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies which may result in reduced quantities being manufactured by us. Cancellations, reductions or instructions to delay production (thereby delaying delivery of products manufactured by us) by customers could adversely affect our results of operations by reducing our sales volume leading to a reduced utilization of our existing manufacturing capacity.

Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. Any such underutilization of our manufacturing facility could adversely affect our business, results of operations, financial condition and cash flows.

29. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operation.***

Our Company requires certain statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. 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.

Further, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Our Company requires the following statutory and regulatory registrations,

licenses, permits and approvals for our business but the same have not been obtained/not renewed by us, as on date of this Draft Red Herring Prospectus.

Further, 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 the 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 our business. If we fail to comply with all the regulations applicable to us or if the regulations governing our business or their manner of implementation change, we may incur increased costs, or be subject to penalties or may suffer a disruption in our business activities, any of which, could adversely affect our business or results of operations. For further details, please see “Key Industry Regulations and Policies” and “Government and Other Statutory Approvals” beginning on page no 175 and 226 respectively of this Draft Red Herring Prospectus.

**30. *We have issued equity shares pursuant to a bonus issue prior to the Issue, and we will be eligible to issue equity shares pursuant to a bonus issue only when we have sufficient reserves.***

On October 01, 2024, our Company allotted a total of 54,87,440 equity shares as a bonus issue, in the ratio of 7 equity shares for every 1 equity share held by our existing equity shareholders. In terms of applicable law, bonus issue shall be made only out of free reserves, securities premium account or capital redemption reserve account and built out of the genuine profits or securities premium collected in cash. Our Company will be eligible to issue bonus shares only when we have sufficient monies in our free reserves and our securities premium account.

**31. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing operations. Shortage of skilled / unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, however there can be no assurance that we will not experience any such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**32. *Our success significantly depends upon the services of our Promoters and other Key Managerial Personnel and our ability to retain them. Our inability to attract, hire, train and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company is promoted by a group of individuals of 3 (three). The success of our business operations is attributable to our Promoters, Directors and key management personnel. We believe that our relation with our Promoters, who have rich experience in setting up business, developing markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We believe that the inputs and experience of our Promoters are factors for the growth and development of our business and the strategic direction taken by our Company. We benefit from our relationship with our Promoters and Key Managerial

Persons and our success depends upon their continuing services, who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business.

Our Directors have built relations with clients and other persons are connected with us. Our success is substantially dependent on the expertise and services of our Directors and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

Further, our Promoters have also promoted other companies and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. Any inability to attract and retain talented employees or the resignation or loss of key management personnel, may have an adverse impact on our business, future financial performance and the price of our Equity Shares.

**33. *The directors of our company don't have the experience of the listed company and the requirements of being a listed company may strain our resources.***

The Directors of the company don't have the experience of the listed Company; however, the Promoters have the experience of the pharmaceutical Industry. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulator and the public at large that is associated with being a listed company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition.

Further, as a listed company, Directors and the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

**34. *We face competition in our business from both organized and unorganized sector. Such competition may have a negative impact on our business prospects, future performance and financial condition.***

The industry, in which we are operating, is increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

There are various factors that could impair our ability to maintain our current levels of revenues and profitability in our goods transportation business, including the following:

- ✓ competition with other companies offering better pricing for the goods manufactured, some of which may have a wider range of product portfolio, and may have greater capital resources than we do;
- ✓ solicitation by customers of bids from multiple manufacturers and the resulting depression of the bidding prices or loss of business to competitors;
- ✓ development of an operational model similar to ours by a competitor with sufficient financial resources and comparable experience in the steel and steel products industry;
- ✓ establishment of better relationships by our competitors with their customers; and

- ✓ the small unorganized players at a regional level may not comply with applicable statutory and regulatory requirements and due to which they may be able to operate at lower cost and consequently offer lower prices than us.

There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business prospects, future performance, financial condition and results of operations.

Our Company's competitors may enjoy potential competitive advantages over us and may successfully attract our customers to their products/ services by matching or exceeding what we offer to our customers, such as:

- ✓ greater name/brand recognition, a longer operating history, wider geographical reach and wider customer base and extensive international operations;
- ✓ engage in price competition, reducing the product pricing;
- ✓ greater financial, technical and other resources.

There can be no assurance that we will have sufficient resources to respond to competitors' investments in geographical and customer network and pricing and promotional programs.

If our Company is unable to effectively compete with other participants, whether on the basis of pricing, product quality, services or otherwise, it might not be able to attract new customers or retain existing customers, and this could adversely affect our business, financial condition and results of operations.

**35. *We require working capital for our smooth day-to-day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.***

We are engaged in manufacturing and export of both pharmaceutical formulations and nutraceutical products in domestic and various African markets. Our Company operates under brand "Asston". Presently, our Company is involved in the business of manufacturing and marketing of Tablets, Capsules, Oral Liquid, External Preparations (Ointment, Cream, Gel and Lotion) and Oral Powder (Sachet, Dry Syrup) etc. Our company business needs substantial working capital and financing in the form of fund and non-fund based working capital facilities to meet its requirements.

In many cases, a significant amount of our working capital is required to finance day-to-day operations, such as purchasing inventory, managing accounts payable and receivable, and meeting other short-term financial obligations. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and may result in increases in any future short-term borrowings.

Our sources of additional financing, required to meet our working capital needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions.

Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition and our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement,

please refer to the chapter titled “*Objects of the Issue*” beginning on page 101 of this Draft Red Herring Prospectus.

**36. *We could be adversely affected due to misconduct or errors of our employees that are difficult to detect and any such incidents could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and damage our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**37. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our company faces potential risks related to incidents of theft or damage to inventory. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc. including third party risk arising due to causes attributable to us.

Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.

Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the company.

**38. *We are subject to risks associated with expansion into new markets.***

Expansion into new markets, including in India and overseas, subjects us to various challenges, including those relating

to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such

regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets.

By expanding into new markets, we could be subject to additional risks associated with establishing and conducting operations, including compliance with a wide range of laws, regulations and practices, including uncertainties associated with changes in:

- laws, regulations and practices and their interpretation; local preferences and service requirements;
- fluctuations in foreign currency exchange rates;
- inability to effectively enforce contractual or legal rights and adverse tax consequences;
- differing accounting standards and interpretations;
- stringent as well as differing labour and other regulations;

- differing domestic and foreign customs, tariffs and taxes;
- exposure to expropriation or other government actions; and
- political, economic and social instability.

**39. *In addition to regular remuneration, other benefits and expense reimbursement our Promoters, Directors, key managerial personnel or senior management hold a vested interest in our Company; to the extent of their shareholding and associated dividend entitlements. They also have a stake in transactions involving our company, whether with themselves individually or with our group companies/entities. Our Company in future may enter in related party transactions subject to necessary compliances.***

Our Promoters, Directors, key managerial personnel or senior management are interested in our Company to the extent of their shareholding and associated dividend entitlements thereon in our Company, in addition to regular remuneration or benefits and expenses reimbursement. Our Promoters, Directors, key managerial personnel or senior management are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company. All transactions with related parties entered into by the company in past were at arm's length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Furthermore, it is likely that we may enter into related party transactions in the future.

Additionally, our Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years and stub period, please refer to the "**Annexure 27 – Related Party Transaction**" under the Chapter titled "**Financial Statements**" beginning on Page No. 207 of this Draft Red Herring Prospectus.

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

**40. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our business, manufacturing facilities, plant and machinery and other assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

We have our single manufacturing facility at Ambarnath MIDC. It is the only company owned manufacturing facility. Recently on 2<sup>nd</sup> December 2024, it received FDA approval to produce pharmaceutical products as well to its existing production of nutraceutical products. Currently, this facility does not have any insurance cover for its structure against fire, arsoning, force-majeure, etc. Only raw materials, finished goods and equipment inside are presently covered by Future Generali. Hence any events identified here are realized, it may do a significant damage to our production capabilities, operation, future growth prospects and profitability.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. As of November 30, 2024, our insurance cover was ₹ 130.00 Lakhs and our insurance cover as a percentage of the total Insurable Assets of our Company was 22.50%. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**41. *The products that we commercialize may not perform as expected which could adversely affect our business, financial condition and results of operations.***

Our success is significantly dependent on our ability to commercialize new pharmaceutical products in India and in various international markets. The commercialization process necessitates the successful development, testing, and procurement of required regulatory approvals for our products, while ensuring strict compliance with applicable regulatory and safety standards. To develop a commercially viable product, we are required to demonstrate, through extensive clinical trials, that the product is safe and effective for human use.

However, there can be no assurance that our products under development, even when fully developed and tested, will perform as expected. Regulatory approvals may not be granted in a timely manner, or at all, and even if obtained, we may be unable to successfully or profitably manufacture and market such products.

Additionally, the introduction of new products may expose us to litigation from third parties alleging patent infringement. Our products may also face seizure by regulatory authorities during transit due to alleged intellectual property rights violations. Furthermore, the products we develop may be unsuccessful in the marketplace due to the availability of superior alternatives introduced by competitors or other factors.

Moreover, even if a product is successfully developed, it may require an extended period to gain acceptance in the market, or it may fail to achieve such acceptance entirely. Any such developments could materially and adversely affect our business prospects, financial condition, and results of operations.

**42. *Any variation in the utilization of our Net Proceeds as disclosed in this Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.***

The deployment of the funds towards the objects of the Issue is entirely at the discretion of the Board and our Board will monitor the utilisation of Net Proceeds through its Audit Committee. Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in Chapter VI-A of the SEBI ICDR Regulations pursuant to the SEBI ICDR (Second Amendment) Regulations, 2016 dated February 17, 2016. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoter or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

Our Company will disclose the utilisation of the Net Proceeds under a separate head along with details in its balance sheet until the Net Proceeds remain unutilized, clearly specifying the purpose for which the Net Proceeds have been utilized. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our operational and financial performance.

**43. *The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled as "Objects of the Issue".***

The fund requirement and deployment, as mentioned in the chapter titled as "Objects of the Issue" on page 101 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter titled "Objects of the Issue" on page 101 of this Draft Red Herring Prospectus is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation under chapter titled "Objects of the Issue" will not



vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control and will be subject applicable rules and regulations. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**44. *Our Promoters and Promoter Group will continue to retain majority shareholding in us after the Issue, which will allow them to exercise significant influence over us and potentially create conflicts of interest.***

The current Issue includes fresh issue of Equity Shares. Our Promoter and Promoter Group may beneficially own approximately [●] % of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**45. *Our inability to manage growth could disrupt our business and reduce our profitability.***

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our new products portfolio. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, maintaining good relationships with employees for retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

**46. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Moreover, we might not sustain historical dividend levels moving forward.***

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. Accordingly, realization of a gain on shareholders 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 refer to the Section "Dividend Policy" on page 205 of the Draft Red Herring Prospectus. While we have paid dividends in the past, there can be no assurance as to whether we will pay dividends in the future and, if so, the level of such future dividends.

**47. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**48. *The rate of interest for the loans obtained by us from the banks and Financial Institutions is variable and any increase in interest rates may adversely affect our results of operations and financial condition.***

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. For further details of interest payable on our borrowings, please refer to the chapter titled "Statement of Financial Indebtedness" on page no. 209 of this Draft Red Herring Prospectus. Further, in recent years, the Government of India has taken measures to control inflation, which have included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition.

**49. *Changes in technology may render our current technologies obsolete or require us to make substantial investments.***

To remain competitive and efficient, modernization and technology upgradation are crucial for reducing costs and increasing output. Our business heavily relies on technology and machinery to deliver quality services. However, there is a risk of our technology and machinery becoming obsolete over time or not being upgraded timely, which can adversely impact our operations and financial condition, leading to a loss of competitive edge in the market. While we believe that we have implemented updated technology, we understand the importance of continuous improvement. We are committed to staying abreast of the latest technological standards and trends to enhance our capabilities. In the event of a new technology emerging in our industry, we may be required to invest in adopting that technology or upgrading our existing machinery and equipment to remain competitive.

The costs associated with upgrading technology and modernizing machinery are significant, and they can have a substantial impact on our finances and operations. These investments may lead to higher capital expenditures and can temporarily affect our profitability and cash flow. We must carefully assess the potential benefits and returns on such investments to ensure they align with our long-term growth objectives.

Our ability to successfully implement technology upgrades and modernization efforts depends on various factors, including availability of skilled technicians, compatibility of new technology with existing systems, and adequate financial resources. Delays or challenges in adopting new technology can hinder our operational efficiency and competitiveness in the market.

**50. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.***

We regularly commit resources prior to receiving payments from our customer. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

**51. *We have not made any alternate arrangements for financing the 'Objects of the Issue'. Any shortfall in raising or meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for our working capital requirements as per the Objects of the Issue. Over the period of time, we have met our capital requirements through funding from our internal accruals. Any shortfall in our net cash flows, internal accruals and our inability to raise institutional debt in future would result in us to borrow fund, which may be repayable on demand, which in turn may increase our financial costs, affect our Promoter's group entity's liquidity and restrict future funding from them in urgent situations, thus negatively affecting our financial condition and results of operations. Further we have not 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 "Objects of the Issue" on page no 101 of this Draft Red Herring Prospectus.

**52. *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 Exchange(s) 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 and 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 might have 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. This could have an adverse effect on our profit and reputation.

**53. *Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges, in the past, have introduced various pre-emptive surveillance measures with respect to the shares of listed companies in India (the "Listed Securities") in order to enhance market integrity, safeguard the interests of investors and potential market abuses. In addition to various surveillance measures already implemented, and in order to further safeguard the interest of investors, the SEBI and the Stock Exchanges have introduced additional surveillance measures ("ASM") and graded surveillance measures ("GSM").

ASM is conducted by the Stock Exchanges on Listed Securities with surveillance concerns based on certain objective parameters such as share price, price-to-earnings ratio, percentage of delivery, client concentration, variation in volume of shares and volatility of shares, among other things. GSM is conducted by the Stock Exchanges on Listed Securities where their price quoted on the Stock Exchanges is not commensurate with, among other things, the financial performance and financial condition measures such as earnings, book value, fixed assets, net-worth, other measures such as price-to-earnings multiple and market capitalization and overall financial position of the concerned listed company, the Listed Securities of which are subject to GSM.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company. Any such instance may result in a loss of our reputation and diversion of our management's attention and may also decrease the market price of our Equity Shares which could cause you to lose some or all of your investment.

**54. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this

Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**55. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment.***

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Draft Red Herring Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with our future performance;
- Adverse media reports about us or our shareholders;
- Future sales of the Equity Shares;
- Variations in our half-yearly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about the performance of companies engaged in industrial capital goods sector generally;
- Perception in the market about investments in the Industrial sector capital goods;
- Significant developments in the regulation of the trading and distribution industry in our key trade locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share. Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

**56. *Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 12%, in excess of ₹1,25,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**57. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

**58. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business.***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

**59. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by broker. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

**60. *The requirements of being a listed company may strain our resources.***

We are not a listed company. We have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the equity listing agreement with the Stock Exchange which will require us to file audited annual and half yearly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily

transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosures controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management's attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

**61. *Delay in raising funds from the IPO could adversely impact the growth rate.***

The proposed use of issue proceeds, as detailed in the section titled "Objects of the Issue" on page no. 101 is to be partially and/or wholly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule which may adversely impact the growth rate of our Company. We, therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

**62. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

## **EXTERNAL RISK FACTORS**

**63. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and cash flows. Investors can be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and cashflows, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, due to the COVID-19 pandemic, the Government of India also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, among others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments.

The Government of India has also proposed an alteration to the concessional basic customs duty rate on drugs, medicines, diagnostic kits or equipment and bulk drugs used in the manufacture of drugs and specified goods for use in the pharmaceutical and bio-technology sectors imported for use in research and development. In respect of goods and services tax ("GST"), the Government of India has restricted the availability of input tax credit in certain circumstances, such as where a vendor has been non-compliant with furnishing details of supply made to us or discharging GST. Further, the Finance Act, 2023 has proposed to consider perquisites or benefits arising from business whether convertible into money or not or payable in cash or kind, as taxable income. Such changes may adversely affect our business, results of operations, financial condition and cash flows.

We have not fully determined the effect of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act 2023 would have an adverse effect

on our business, results of operations, financial condition and cash flows. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation, or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current businesses or restrict our ability to grow our businesses in the future.

Our Company cannot predict whether any tax laws or other regulations affecting it will be enacted or predict the nature and effect of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, results of operations, financial condition and cash flows.

**64. *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 and magnitude, which may negatively affect our stock prices.

**65. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our business is increasingly dependent on our ability to process, on a daily basis, a large number of transactions. Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control, including a disruption of electrical or communication services. We may experience difficulties in upgrading, developing and expanding our systems quickly enough to accommodate our growing customer base and range of services our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

**66. *With time we might be liable to other labor laws which were not applicable before leading to increase cost and time to be invested in its compliance.***

Employees form the integral part of the operation of our business. Any labor disputes or unrests could lead to lost production, increased costs or delays which could lead to penalties. We are subject to a number of stringent labor legislation that protects the interests of workers and defines our duties and obligations towards them in the capacity of principal employers, including legislations that sets forth detailed procedures for employee removal and dispute resolution and impose financial obligations on us. We are also subject to state and local laws and regulations. If labor laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows. Any organizational changes, including changes in salaries and wages and other employee benefits that are, or are perceived to be negative, could result in an increased attrition rate. We cannot assure you that there may not be incidences of labor unrest and absenteeism from work by some of our employees. Labour shortages could increase the cost of labor and hinder our productivity and ability to adhere to our delivery schedules for our projects, which would materially and adversely affect our business, financial condition, results of operations and prospects.

**67. *Our Company is subject to risk arising from changes in interest rates and banking policies.***

Increased interest rates will have a bearing on profitability and credit controls will have an effect on our liquidity and will have serious effects on adequate working capital requirements. We are dependent on various banks for arranging of our working capital requirement etc. Accordingly, any change in the existing banking policies or increase in interest rates may have an adverse impact on profitability of our company.

**68. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and may adversely affect our business, cash flows and financial condition. In particular, we might not be able to reduce our costs or increase the amount of commission to pass the increase in costs on to our customer. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government of India has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**69. *Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

**70. *A decline in economic growth or political instability nationally or internationally or changes in the Government in India could adversely affect our business.***

Our performance and the growth of our business are necessarily dependent on the health and performance of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factor Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns from economic volatility and uncertainty could have a significant negative impact on our results of operations.

Further, our performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, the market price and liquidity of the Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.



**71. Any disproportionate increase in labor costs including increase in wage/salary demand, labor unrest or labor claims arising from accidents may adversely affect our business operations and financial conditions.**

Our increasing business operations may require our employee strength to increase in future. In the past our Company has not experienced any labor unrest, but there is no assurance that it will not experience the same at any time in the future. Also, there is a possibility that the labour costs increase disproportionately due to increase in wage/salary demand. In this event, if our Company is unable to pass on the increased costs to our customers, our business operations and financial conditions may be adversely affected.

**72. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.**

Our Company is engaged in the manufacturing business, which attracts tax liability such as Goods and Service tax and Income tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Employee State Insurance and Professional Tax. Any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of the Company.

**73. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time-to-time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Such activities in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

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## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Red Herring Prospectus:

Particulars	Details
<b>Equity Shares offered</b> <sup>(1)(2)</sup> Present Issue of Equity Shares by our Company	Issue of upto 22,41,600* Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs.
<i>Out of which:</i>	
<b>Reserved for Market Makers</b>	Upto 1,12,800 Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto 21,28,000 Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
<i>Out of which:</i>	
<b>A. QIB Portion</b> <sup>(3)(4)</sup>	Not more than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<i>of which:</i>	
<b>i. Anchor Investor Portion</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<i>Of which:</i>	
<b>a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>b) Balance of QIB Portion for all QIBs including Mutual Funds</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>c) Non-Institutional Investors Portion</b>	Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<b>d) Retail Individual Investors Portion</b>	Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<i>Pre and Post – Issue Equity Shares</i>	
<b>Equity Shares outstanding prior to the Issue</b>	6,27,13,600 Equity Shares of ₹10/- each.
<b>Equity Shares outstanding after the Issue</b>	Upto 8,51,29,600 Equity Shares of ₹10/- each.
<b>Use of Proceeds</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 101 of this Draft Red Herring Prospectus.

\* Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### **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 (1) and Regulation 253 (1) 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 issued 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 December 10, 2024 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the Extra-Ordinary General Meeting held on

January 06, 2025.

- (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) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 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 254 of this Draft Red Herring Prospectus.
- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh Issue by the Issuer.

Subject to valid Bids being received at or above the Issue Price, under subscription, 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.

**SUMMARY OF FINANCIAL INFORMATION**

**ANNEXURE – I: STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

<b>Particulars</b>	<b>Period Ended 30th November, 2024</b>	<b>Year Ended 31st March, 2024</b>	<b>Year Ended 31st March, 2023</b>	<b>Year Ended 31st March, 2022</b>
<b>Equity and Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	627.14	78.39	70.00	70.00
Reserves and Surplus	349.60	560.86	128.59	22.93
<b>Total Equity</b>	<b>976.74</b>	<b>639.25</b>	<b>198.59</b>	<b>92.93</b>
<b>Non-Current Liabilities</b>				
Long-Term Borrowings	220.27	162.69	181.86	94.05
Deferred Tax Liabilities (Net)	-	2.35	3.26	1.66
Other Long-Term Liabilities	-	-	-	-
Long-Term Provisions	15.84	15.95	6.94	4.90
<b>Total Non- Current Liabilities</b>	<b>236.11</b>	<b>180.99</b>	<b>192.06</b>	<b>100.61</b>
<b>Current liabilities</b>				
Short-term borrowings	476.83	519.30	342.65	236.91
Trade payables				
i) Total outstanding dues of micro enterprise and small enterprise	64.12	121.30	145.41	154.63
ii) Total outstanding dues other than micro enterprise and small enterprise	451.29	459.72	408.59	298.32
Other current liabilities	30.44	19.32	15.54	45.67
Short-term provisions	238.07	86.13	66.58	20.04
<b>Total Current Liabilities</b>	<b>1,260.76</b>	<b>1,205.79</b>	<b>978.77</b>	<b>755.57</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,473.61</b>	<b>2,026.02</b>	<b>1,369.42</b>	<b>949.11</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment and Intangible Assets				
Tangible assets	87.42	109.10	113.14	91.75
Capital Work In Progress	0.75	-	-	-
Long-Term Loans and Advances	12.56	83.36	187.01	119.47
Deferred Tax Assets	2.72	-	-	-
<b>Total Non-Current Assets</b>	<b>103.46</b>	<b>192.46</b>	<b>300.15</b>	<b>211.22</b>
<b>Current Assets</b>				
Short-Term Loans and Advances	65.98	73.86	45.95	33.57
Other Current Assets	4.37	-	-	-
Trade Receivables	2,226.46	1,615.18	860.88	640.30

Particulars	Period Ended 30th November, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Inventories	17.70	143.89	150.08	50.33
Cash and Bank Balances	55.64	0.64	12.37	13.68
<b>Total Current Assets</b>	<b>2,370.15</b>	<b>1,833.56</b>	<b>1,069.28</b>	<b>737.88</b>
<b>TOTAL ASSETS</b>	<b>2,473.61</b>	<b>2,026.02</b>	<b>1,369.42</b>	<b>949.11</b>

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**ANNEXURE – II: STATEMENT OF PROFIT & LOSS**

*(₹ in Lakhs)*

<b>Particulars</b>	<b>Period Ended 30th Nov, 2024</b>	<b>Year Ended 31st March, 2024</b>	<b>Year Ended 31st March, 2023</b>	<b>Year Ended 31st March, 2022</b>
<b>Revenue</b>				
Revenue from operations	2,068.16	1,558.62	653.80	959.85
Other income	157.82	25.47	65.39	95.61
<b>Total Income</b>	<b>2,225.98</b>	<b>1,584.09</b>	<b>719.19</b>	<b>1,055.46</b>
<b>Expenses</b>				
Cost of materials consumed	1,152.69	975.41	334.93	767.37
Employee Benefits Expense	67.41	88.10	59.30	61.80
Finance Costs	89.10	93.27	72.09	43.35
Depreciation and amortisation Expense	4.24	5.07	3.69	0.83
Other Expenses	469.35	240.53	107.91	166.22
<b>Total Expenses</b>	<b>1,782.79</b>	<b>1,402.37</b>	<b>577.93</b>	<b>1,039.57</b>
<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>	<b>443.19</b>	<b>181.72</b>	<b>141.27</b>	<b>15.88</b>
Exceptional/Prior Period Items	-	-	-	-
<b>PROFIT BEFORE TAX</b>	<b>443.19</b>	<b>181.72</b>	<b>141.27</b>	<b>15.88</b>
<b>Tax Expense</b>				
Current tax	110.78	46.59	34.00	3.17
Deferred tax (credit)/charge	(5.07)	(0.91)	1.60	1.66
<b>Total Tax Expenses</b>	<b>105.70</b>	<b>45.69</b>	<b>35.60</b>	<b>4.83</b>
<b>Profit for the period / year</b>	<b>337.49</b>	<b>136.03</b>	<b>105.66</b>	<b>11.06</b>

**ANNEXURE – II: STATEMENT OF CASH FLOW**

*(₹ in Lakhs)*

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>				
<b>Profit before tax, as restated</b>	443.19	181.72	141.27	15.88
<b>Adjustments for :</b>				
Depreciation and amortisation expense	4.24	5.07	3.69	0.83
Loss/(Gain) on Sale of Assets	3.06	-	-	-
Finance costs	89.10	93.27	72.09	43.35
Interest & Dividend income	(4.90)	(4.01)	(1.21)	(0.02)
<b>Operating profit before working capital changes</b>	<b>534.70</b>	<b>276.05</b>	<b>215.84</b>	<b>60.04</b>
<b>Changes in working capital:</b>				
(Increase) / decrease Inventories	126.19	6.19	(99.75)	72.91
(Increase) / decrease in Trade Receivables	(611.28)	(754.30)	(220.91)	(216.60)
(Increase) / decrease in Other Current Assets	(4.37)	-	-	-
(Increase) / decrease in Long Term Loans and Advances	-	107.17	(0.20)	(119.47)
(Increase) / decrease in Short term Loans and Advances	7.88	-	-	14.91
		27.91	12.37	
Increase / (decrease) in Trade Payables	-	27.02	101.39	18.42
	65.61			
Increase / (decrease) in Other Current Liabilities	11.11	3.79	-	41.58
			30.13	
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	(0.12)	9.01	2.04	(6.58)
Increase / (decrease) in Short Term Provision	41.17	18.15	13.84	19.33
<b>Cash generated from / (utilised in) operations</b>	<b>39.67</b>	<b>(334.84)</b>	<b>(30.26)</b>	<b>(115.47)</b>
Less : Income tax paid	0.00	(45.19)	(1.31)	(3.17)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>39.67</b>	<b>(380.03)</b>	<b>(31.57)</b>	<b>(118.64)</b>
<b>B. Cash flow from investing activities</b>				
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	13.62	(1.03)	(25.08)	(0.22)
Net Fixed Deposit (invested) / redeemed	70.79	(3.52)	(67.34)	-
Interest and Dividend Received	4.90	4.01	1.21	0.02
<b>Net cash flow utilised in investing activities (B)</b>	<b>89.31</b>	<b>(0.54)</b>	<b>(91.21)</b>	<b>(0.20)</b>
<b>C. Cash flow from financing activities</b>				
Net of (Repayment)/Proceeds from Short Term Borrowings	(42.48)	176.64	105.74	236.91
Net of (Repayment)/Proceeds from Long Term Borrowings	57.59	(19.16)	87.81	(133.30)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Equity Share issued along with share premium	-	304.63	-	69.00
Interest/Finance Charges Paid	(89.10)	(93.27)	(72.09)	(43.35)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(73.99)</b>	<b>368.84</b>	<b>121.46</b>	<b>129.26</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>55.00</b>	<b>(11.73)</b>	<b>(1.31)</b>	<b>10.43</b>
Cash and cash equivalents at the beginning of the period/ year	<b>0.64</b>	<b>12.37</b>	<b>13.68</b>	<b>3.25</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>55.64</b>	<b>0.64</b>	<b>12.37</b>	<b>13.68</b>

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## GENERAL INFORMATION

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“**Companies Act**”) in the name and style of “*Asston Pharmaceuticals Private Limited*” on April 16, 2019 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra. Later on, company was converted into Public Limited company and subsequently, the name of our Company was changed to “*Asston Pharmaceuticals Limited*” vide the Board Resolution dated May 22, 2024 and Special Resolution dated June 17, 2024 and fresh Certificate of Incorporation dated August 29, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra. For details of Conversion of Company, please refer to section titled “*History and Corporate Structure*” beginning on page 182 of this Draft Red Herring Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details								
Name of Issuer	Asston Pharmaceuticals Limited								
Registered Office	4 <sup>th</sup> Floor, Office No A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane - 400614, Maharashtra, India; <b>Telephone No.:</b> +91- 22 49731419/49731411; <b>Web site:</b> <a href="http://www.asstonpharmaceuticals.com">www.asstonpharmaceuticals.com</a> <b>E-Mail:</b> <a href="mailto:info@asstonpharmaceuticals.com">info@asstonpharmaceuticals.com</a> <b>Contact Person:</b> Vandana Mishra								
Date of Incorporation	April 16, 2019								
Company Identification Number	U24304MH2019PLC324187								
Company Registration Number	324187								
Company Category	Company Limited by Shares								
Registrar of Company	ROC – Mumbai								
Address of the RoC	Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India								
Company Secretary and Compliance Officer	<b>Vandana Mishra;</b> C/o.: Asston Pharmaceuticals Limited; <b>Address:</b> 4 <sup>th</sup> Floor, Office No A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane – 400 614, Maharashtra, India; <b>Telephone No.:</b> +91 22 49731411/+91 2249731419; <b>Web site:</b> <a href="http://www.asstonpharmaceuticals.com">www.asstonpharmaceuticals.com</a> <b>E-Mail :</b> <a href="mailto:cs@asstonpharmaceuticals.com">cs@asstonpharmaceuticals.com</a>								
Designated Stock Exchange	<b>SME Platform of BSE Limited (BSE)</b> <b>Address:</b> 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India <b>Tel. No:</b> 022 – 2272 1233/34 <b>Website:</b> <a href="http://www.bseindia.com">www.bseindia.com</a>								
Issue Programme	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #4b0082; color: white;">Issue Opens On:</td> <td style="text-align: center;">[●]</td> <td style="background-color: #4b0082; color: white;">Issue Close On:</td> <td style="text-align: center;">[●]</td> </tr> <tr> <td style="background-color: #4b0082; color: white;">Anchor Investor Bid/Issue Period*</td> <td colspan="3" style="text-align: center;">[●]</td> </tr> </table>	Issue Opens On:	[●]	Issue Close On:	[●]	Anchor Investor Bid/Issue Period*	[●]		
Issue Opens On:	[●]	Issue Close On:	[●]						
Anchor Investor Bid/Issue Period*	[●]								

*\*The Company may, in consultation with the Book Running 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.*

### Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the BRLM 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, non-credit of allotted equity shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the 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. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant.

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 BRLM 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 BRLM. Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.



## BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of the following Directors:

S. No.	Name of Directors	Designation	Address	DIN
1.	Dr. Ashish Narayan Sakalkar	Managing Director	C-402, Siddheshwar Palms CHS, Kalyan Shil Road, Desai Naka, Khidkali, Kalyan, Thane - 421 204, Maharashtra, India	06601011
2.	Saili Jayaram More	Whole Time Director and Chief Executive Officer	201, Shree Sai Sparsh CHS, Plot No. 240, 5th Road, Sector-21, Nerul Node-3, Nerul, Navi Mumbai-400706, Maharashtra, India	02691527
3.	Sachin Chandrakant Badakh	Non-Executive Director	Flat No. 301, Heramb Apartment, B Wing, New D P Road, Swami Samarth Nagar, Badlapur (East) - 421503, Maharashtra, India	08685214
3.	Rishabh Kumar Jain	Non-Executive Independent Director	Ward No. 24, Dhobi Pada, Gali No. 1, Baraut, Baghat, Uttar Pradesh- 250611, India.	10611758
5.	Vijaya Shahpurkar	Non-Executive Independent Director	550, New Vaddeem, Near Saibaba Temple, Vasco Mormugao, Panaji, South Goa- 403802, India	10767960

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

## DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Book Running Lead Manager	Registrar to the Issue
	
<b>SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED</b> <b>Address:</b> C-4 to C-11, Gate No-01, Hosiery Complex, Phase-II Extension, Noida-201305 <b>Tel. No.:</b> +91 7836066001 <b>Email:</b> <a href="mailto:cs@sobhagyacap.com">cs@sobhagyacap.com</a> <b>Investor Grievance Email:</b> <a href="mailto:delhi@sobhagyacap.com">delhi@sobhagyacap.com</a> <b>Website:</b> <a href="http://www.sobhagyacapital.com">www.sobhagyacapital.com</a> <b>Contact Person:</b> Mr. Rishabh Singhvi/ Ms. Nisha <b>SEBI Registration No.:</b> MB/INM000008571	<b>MAASHITLA SECURITIES PRIVATE LIMITED</b> <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi 110 034, India. <b>Tel. Number:</b> +91 11 47581432; <b>Email Id:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> ; <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> ; <b>Contact Person:</b> Mr. Mukul Agrawal <b>CIN No:</b> U67100DL2010PTC208725 <b>SEBI Registration No.:</b> INR000004370

Statutory Auditor & Peer Review Auditor*	Bankers to the Company
<b>M/s. Doshi Doshi &amp; Co., Chartered Accountant.</b> <b>Address:</b> F-704, Aurum Sky, Opp. Empire Business Hub, Ahmedabad 380 060, India. <b>Tel. Number:</b> +91 91674 04303 <b>Email:</b> <a href="mailto:chintan@ddco.in">chintan@ddco.in</a> <b>Contact Person:</b> Chintan Doshi <b>Membership No:</b> 158931 <b>Peer Review Certificate No.:</b> 014874 <b>F.R.N.:</b> 153683W	<b>ICICI Bank Limited</b> <b>Address:</b> ICICI Bank Limited, Plot no. 42A, Shop no.14, 15, Sector 11, Balaji Bhavan, Near Belapur CBD Station, Navi Mumbai-400 614, Maharashtra, India. <b>Tel. no.</b> +91 9619920649 <b>Email id:</b> sujata.jha@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Sujata Jha
Bankers to the Company	Bankers to the Issue/ Refund Banker/ Sponsor Bank**
<b>Bank of Maharashtra</b> <b>Address:</b> Mahabank Bldg 71-E, Dayanand Saraswati Road, Chembur, Mumbai-400 071, Maharashtra, India. <b>Tel. no.</b> +91 22 25284296 <b>Email id:</b> bom89@mahabank.co.in <b>Website:</b> www.bankofmaharashtra.in <b>Contact Person:</b> Abhishek K Singh (Manager BOM, Chembur Branch)	[•]
Syndicate Member**	Legal Advisor
[•]	<b>M/s. RMA Legal</b> <b>Address:</b> 209, Midas Sahar Plaza Complex Andheri Kurla Road, Andheri (East) Mumbai 400 059 <b>Tel. No.:</b> +919987933318; <b>Email</b> meenakshi@rmalegal.net <b>Contact Person:</b> Meenakshi Acharya

\* M/s Doshi Doshi & Co, Chartered Accountants holds a valid peer review certificate number 014874 issued by the "Peer Review Board" of the Institute of Chartered Accounts of India, New Delhi.

\*\*The Bankers to the Issue/ Refund Banker/ Sponsor Bank and Syndicate Member shall be appointed prior to filing of the Draft Red Herring Prospectus with the RoC.

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<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>

Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on-

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

### Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears 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. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

#### **BROKER TO THE ISSUE**

Bidders (other than RIBs) can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

#### **REGISTRAR AND SHARE TRANSFER AGENTS (RTA)**

The list of the RTAs eligible to accept ASBA Forms (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided 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](http://www.sebi.gov.in)) and updated from time to time.

#### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

#### **CREDIT RATING**

As this is an issue of Equity Shares, there is no credit rating for this 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.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THEM BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed on the platform of BSE SME situated at 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, Maharashtra, India. Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India and the same will also be available on the website of the company [www.asstonpharmaceuticals.com](http://www.asstonpharmaceuticals.com) for inspection.

#### **CHANGES IN AUDITORS**

Except as stated below, there has been no Change in the Auditors of our Company during the last three years:

Name of Auditor	Appointment/ Resignation	Date of Appointment / Resignation	Reason
<b>POOJA V. RAVANI &amp; CO;</b> CA Pooja Ravani; <b>Membership No:</b> 163629; <b>F.R.N.:</b> 140450W	Appointment	December 31, 2020	Appointment as the statutory auditor for the Financial Year 2020-21 to 2022-23.
<b>Yash A Jain &amp; Associates;</b> CA Yash Jain <b>Membership No:</b> 605637; <b>F.R.N.:</b> 028845Cne	Appointment	June 11, 2024	Appointment as the statutory auditor for the Financial Year 2023-24
<b>Doshi Doshi &amp; Co.</b> CA Chintan R. Doshi <b>Membership No:</b> 158931 <b>F.R.N.:</b> 153683W	Appointment	October 01, 2024	Appointment as the statutory auditor for the Financial Year 2024-29

## TRUSTEES

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

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue.

However, Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 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, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 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 Draft Red Herring Prospectus.

## TYPE OF ISSUE

The present Issue will be done through 100% Book Building Process.

## 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 Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Mumbai edition of Regional newspaper [●] where our registered office is situated at least two working days prior to the Bid/ Issue Opening date. 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 Sobhagya Capital Options Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE Limited 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 are invited to the chapter titled “*Issue Procedure*” beginning on page 254 of this Draft 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*” beginning on page 254 of this Draft 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. 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 Company in consultation with the BRLM, may finalize 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:

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” beginning on page 254 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. 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.
4. 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 Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/ Issue Program:

Events	Indicative Dates
Bid/Issue Opening Date.	[●] <sup>(1)</sup>
Bid/ Issue Closing Date.	[●] <sup>(2) (3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange.	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account.*	[●]
Credit of Equity Shares to Demat accounts of Allottees.	[●]
Commencement of trading of the Equity Shares on the Stock Exchange.	[●]

1. Our Company in consultation with the BRLM, may consider participation by Anchor Investors. 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 BRLM, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
3. UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Issue Closing Date, i.e. [●].

*\*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 LM 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. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

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 three 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.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and BSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/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. 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 Bidders 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 Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, 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 Bidder, 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 Bidder, 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**

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (One) working Day from the day of receipt of such instruction.



If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their 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
[●]	[●]**	[●]	[●]%

\* One of the requirements of issuing shares to the Public in accordance with the Chapter IX of the SEBI ICDR Regulations, 2018, as specified in Regulation 260 of the said Regulations is that the Issue shall be 100% underwritten and the Book Running Lead Managers shall underwrite at least 15% of the total Issue.

\*\*Includes [●] Equity shares of ₹10.00 each for cash of ₹[●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act – Noted for Compliance.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THE ISSUE

Our Company and the BRLM have entered into an agreement dated [●] with the following Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

Name	[●]
Address	[●]
Contact No.	[●]
Email	[●]
Website	[●]
Contact Person	[●]
Investor Grievance Id	[●]
CIN	[●]
SEBI Registration No.	[●]
BSE Clearing No.	[●]

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the BSE and SEBI in this regard from time to time.

Following is a summary of the key details pertaining to the proposed 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. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE (BSE SME) and SEBI from time to time.

3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to Offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹[●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into 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.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. 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.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the 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 Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
9. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. 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.
11. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE from time to time.
12. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME Platform and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
13. 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.
14. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
15. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
16. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company 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 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.

In case of termination of the 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 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, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers 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 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.

1. **Risk containment measures and monitoring for Market Makers:** BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
2. **Punitive Action in case of default by Market Makers:** BSE SME 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.
3. 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.
4. **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:
  - i. 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.
  - ii. 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 price band shall be 20% and the Market Maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
5. The following spread will be applicable on the BSE SME:

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	7
4.	Above 100	6

6. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers 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 Crore	25%	24%
₹ 20 Crore To ₹ 50 Crore	20%	19%
₹ 50 Crore To ₹ 80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE from time to time. 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.

## CAPITAL STRUCTURE

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

(₹ In Lakhs except no of shares)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
<b>A.</b>	<b>Authorized Share Capital</b>		
	1,10,00,000 Equity Shares of face value of ₹ 10/- each	1,100.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>		
	62,71,360 Equity Shares of face value of ₹ 10/- each	627.14	-
<b>C.</b>	<b>Present Issue in Terms of this Draft Red Herring Prospectus</b>		
	Issue of up to 22,41,600 Equity Shares of face value of ₹ 10/- each <sup>(1)</sup>	224.16	[●]
	<b>Which Comprises:</b>		
	<b>Reservation for Market Maker portion</b> Up to 1,12,800 Equity Shares of face value of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion.	11.28	[●]
	<b>Net Issue to the Public</b> Net Issue to Public of up to 21,28,000 Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public.	212.80	[●]
	<b>Net Issue to Public consists of<sup>(2)</sup></b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers.	[●]	[●]
	<b>Allocation to Non-Institutional Investors:</b> Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share will be available for allocation to Non-Institutional Investors.	[●]	[●]
	<b>Allocation to Retail Individual Investors:</b> Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share will be available for allocation to Retail Investors.	[●]	
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	Up to 85,12,960 Equity Shares of face value of ₹ 10/- each	851.29	[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]**

\*To be included upon finalisation of Issue Price.

\*\*The amount disclosed is prior to deduction of Issue expenses.

- i. For details in relation to the changes in the authorised share capital of our Company, please refer to section titled "History and Corporate Structure - Amendments to our Memorandum of Association" beginning on page 182 of this Draft Red Herring Prospectus.

- ii. *The Issue has been authorized by a resolution of our Board of Directors through their meeting dated December 10, 2024 and by a special resolution of our Shareholders at Extraordinary General Meeting dated January 06, 2025.*
- iii. *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.*

## CLASS OF SHARES

As on the date of Draft Red Herring Prospectus, our Company has only one class of share capital i.e. Equity Shares of ₹10/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- a. The initial authorized share capital at the time of incorporation was of ₹10,00,000/- divided into 100,000 Equity Shares of ₹100/- each.
- b. The Authorized Share Capital was increased from ₹10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹1,00,00,000 /- divided into 10,00,000 Equity Shares of ₹10/- each vide Shareholders Resolution dated March 26, 2022.
- c. The Authorized Share Capital was increased from ₹1,00,00,000/- divided into 10,00,000 Equity Shares of ₹10/- each to ₹11,00,00,000 /- divided into 1,10,00,000 Equity Shares of ₹10/- each vide Shareholders Resolution dated September 20, 2024.

### 2. Equity Share Capital History of our Company

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

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation 16/04/2019	10,000	10	10	Cash	Subscription to MoA(i)	10,000	1,00,000	Nil
31/03/2022	6,90,000	10	10	Cash	Rights Issue(ii)	7,00,000	70,00,000	Nil
10/01/2024	83,920	10	363	Cash	Preferential Issue(iii)	7,83,920	78,39,200	2,96,23,760
01/10/2024	54,87,440	10	Nil	Other than Cash	Bonus Issue 1:7(iv)	62,71,360	6,27,13,600	Nil

- (i) *Initial Subscribers to the Memorandum of Association of our company- 5,000 Equity Shares of face value of ₹10/- each issued at par:*

Sr. No	Name	No of Equity Shares
1.	Dr. Ashish Narayan Sakalkar	5,000
2.	Saili Jayaram More	5,000
	<b>Total</b>	<b>10,000</b>

- (ii) *Allotment of 6,90,000 Equity Shares by way of Rights Issue, of face value of ₹10/- each issued at par:*

Sr. No	Name	No of Preference Shares
1.	Dr. Narayan Sakalkar	3,45,000
2.	Saili Jayaram More	3,45,000
	<b>Total</b>	<b>6,90,000</b>

(iii) *Preferential Allotment of 83,920 Equity Shares of Face Value of Rs. 10/- each fully paid at Issue Price of ₹ 363/- per equity share is as under:*

Sr. No	Name	No of Equity Shares
1.	Ankit Desai	2,754
2.	Harish Alagh	1,363
3.	Yogesh Supekar	1,377
4.	Rahul Madanlal	1,377
5.	Chhaya Ganesh Bade	1,377
6.	Sonali Tupe	2,754
7.	Yashvardhan Tupe	4,132
8.	Mohanlal Mandhana	3,168
9.	Ganesh Bhadale	2,754
10.	Mahesh Mulay	4,132
11.	Nitin Kesarkar	1,377
12.	Nitin Vijaykuma	4,132
13.	Golande Murlidhar	1,377
14.	Mitali Mitbawkar	1,377
15.	Ramakrishna Malireddy	1,377
16.	Prasad Goregaonkar	1,377
17.	Tina Agarwal	1,377
18.	Amit Sharma	1,425
19.	Pradeep Sheno	1,377
20.	Shweta Pati	2,754
21.	Shilpa Nayyar	1,392
22.	Prashant Prakas	2,754
23.	Shrinivasan B	1,377
24.	Ravinder Singh	1,377
25.	Pravin Shetty	2,754
26.	Jagruti Pimple	1,377
27.	Kalpesh Shah HUF	1,377
28.	Vinita Bhandari	1,377
29.	Sachin Budhwant	1,377
30.	Arpit Omar	1,101
31.	Surajprakash Jaggi	1,377
32.	Subhash Patil	1,380
33.	Amit Karade	2,754
34.	Trupti Sardesai	1,377
35.	Bhagyashree Chavan	1,377
36.	Vishal Goyal HUF	1,500
37.	Kavita Chhapaniya	1,377
38.	Growcap Investments Private Limited	1,500
39.	Subhash Zavar	1,377
40.	Sonal Agarwal HUF	1,500
41.	Sonal Agarwal	1,500
42.	Cosco Vanjiya Private Limited	3,000
43.	Raj Kishore	1,500
44.	Sunita Rani	1,500
45.	Shrena Shah	1,500
	<b>Total</b>	<b>83,920</b>

(iv) *Further Bonus issue of 54,87,440 Equity Shares of face value of ₹10/- each issued other than cash:*

Sr. No.	Name	No. of Equity Shares
1	Agrisport Biotech Private Limited	29,169
2	Amber Credit Company Ltd	1,42,296
3	Comercinate Enterprises Private Limited	5,04,574
4	Cosco Vanijya Private Limited	21,000
5	Growcap Investments Private Limited	10,500
6	Devendra P Shah HUF	4,669
7	Dilip Manakchand Jain HUF	5,488
8	Kalpesh Harikishan Shah HUF	9,639
9	Rakesh P Shah HUF	4,669
10	Sagar Rajendra Bamb HUF	1,750
11	Sonal Agarwal HUF	10,500
12	Suresh Kumar Agarwal HUF	35,000
13	Vishal A Goyal HUF	10,500
14	Ankitkumar Arvindkumar Jain	5,488
15	Ashish Nandkumar Somne	1,855
16	Ashish Narayan Sakalkar	16,21,249
17	Devendra Singh Sachan	4,858
18	Dilip Muralidhar Golande	9,639
19	Dilip Rameshchandra Jagad	93,338
20	Forum Hemal Barfiwala	2,331
21	Jignesh Bipin Patel	1,617
22	Madhu Saini	2,429
23	Mohanlal Ramavtar Mandhana	22,176
24	Mr. Pradeep K Shenoy	9,639
25	Prashant P Sawant	19,278
26	Prateek Sanghvi	10,983
27	Pravin Jagannath Shetty	19,278
28	Rama Krishna Malireddy	9,639
29	Rivinder Singh	9,639
30	Sachin Chandrakant Badakh	5,47,722
31	Saili Jayaram More	16,21,249
32	Salins Joel Vihit Sanni	2,464
33	Shalini Sadani	2,331
34	Srinivasan B	9,639
35	Subhash Damodar Zavare	9,639
36	Suneetha Tikkiseti	2,450
37	Surajprakash Krishanlal Jaggi	9,639
38	T.G.Ramakrishnan	9,639
39	Tina Agrawal	9,639
40	Vanita Kumbhare	23,331
41	Vidya Adwait Joglekar	5,600
42	Ankit P Desai	19,278
43	Arati Ramesh Pali	19,278
44	Arpit Omar	7,707
45	Bhagyashree Dnyanesh Chavan	9,639

Sr. No.	Name	No. of Equity Shares
46	Chhaya Ganesh Bade	9,639
47	Dinesh Ramchand Chhabria	2,331
48	Girish Thakur Dewnany	9,639
49	Hitesh Kumar Ghevarchand Sanghvi	5,488
50	Jagruti Amit Pimple	9,639
51	Jash Manish Chheda	3,500
52	Jitendra Kantilal Siroya	3,500
53	Kalpesh Bhupendra Vora	28,924
54	Kalpesh Manohar Panchal	4,151
55	Kavita Kanhaiya Chhappaniya	9,639
56	Mahesh Vishnupant Mulay	28,924
57	Manoj Ashok Thakare	2,471
58	Mitali Subhash Mitbawkar	9,639
59	Navya Pradeep Sharma	7,000
60	Nitin Dnyanadeo Kesarkar	9,639
61	Padmini Sandip Vanjari	1,869
62	Param Manish Chheda	3,500
63	Pinky Kamlesh Shah	5,488
64	Prasad Bhagwan Goregaonkar	9,639
65	Pratap Haribhau Markande	4,928
66	Pravin Ghanshamdas Wadhvani	1,869
67	Pushpa Raghuvir Sharma	1,869
68	Rahul Madanlal Wani	9,639
69	Raj Kishore	10,500
70	Rasanshi Haresh Thakkar	4,151
71	Rekha Kalpesh Doshi	16,478
72	Rishabh Gupta	2,331
73	Shilpa Ritesh Nayyar	9,744
74	Shrena Kalpesh Shah	10,500
75	Shubhangi Nibandhe	2,429
76	Sonal Agarwal	10,500
77	Sonali Chetan Tupe	19,278
78	Subhash Manik Patil	9,660
79	Sunita Rani	10,500
80	Vanita Jeetu Wadhwa	1,869
81	Vinita Harshal Bhandari	9,639
82	Yogesh Prakash Supekar	9,639
83	Aman Ashok Shivhare	2,331
84	Amit Harishchandra Karade	19,278
85	Amit Sharma	9,975
86	Chaudhary Preeti Jivraj	4,151
87	Dhairya Chetan Visaria	7,000
88	Divya	14,000
89	Ganesh Vitthal Bhadale	19,278
90	Harish Tilakraj Alagh	9,541
91	Jay Arvind Shah	9,639



Sr. No.	Name	No. of Equity Shares
92	Kalpa Jay Shah	9,639
93	Navendu Vats	4,858
94	Nitin Vijay Bihani	28,924
95	Sachin Bhanudas Budhwant	9,639
96	Sarita Agarwal	35,000
97	Stanley Steaven Quadros	5,831
98	Trupti Prabhakar Sardesai	9,639
99	Vicky D Panjwani	1,869
100	Yashvardhan Nitin Tupe	28,924
101	Akshay Vardhaman Services	1,750
102	Anant Labdhi Finserv	1,169
103	Technopolis Innovation LLP	2,429
<b>Total</b>		<b>54,87,440</b>

3. We have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation except mentioned below: -

**Further Bonus issue of 54,87,440 Equity Shares of face value of ₹10/- each issued other than cash:**

Sr. No.	Name	No. of Shares
1	Agrispart Biotech Private Limited	29,169
2	Amber Credit Company Ltd	1,42,296
3	Comercinate Enterprises Private Limited	5,04,574
4	Cosco Vanijya Private Limited	21,000
5	Growcap Investments Private Limited	10,500
6	Devendra P Shah Huf	4,669
7	Dilip Manakchand Jain HUF	5,488
8	Kalpesh Harikishan Shah HUF	9,639
9	Rakesh P Shah HUF	4,669
10	Sagar Rajendra Bamb HUF	1,750
11	Sonal Agarwal HUF	10,500
12	Suresh Kumar Agarwal HUF	35,000
13	Vishal A Goyal HUF	10,500
14	Ankitkumar Arvindkumar Jain	5,488
15	Ashish Nandkumar Somne	1,855
16	Ashish Narayan Sakalkar	16,21,249
17	Devendra Singh Sachan	4,858
18	Dilip Muralidhar Golande	9,639
19	Dilip Rameshchandra Jagad	93,338
20	Forum Hemal Barfiwala	2,331
21	Jignesh Bipin Patel	1,617
22	Madhu Saini	2,429
23	Mohanlal Ramavtar Mandhana	22,176
24	Mr. Pradeep K Shenoy	9,639
25	Prashant P Sawant	19,278
26	Prateek Sanghvi	10,983
27	Pravin Jagannath Shetty	19,278

Sr. No.	Name	No. of Shares
28	Rama Krishna Malireddy	9,639
29	Rivinder Singh	9,639
30	Sachin Chandrakant Badakh	5,47,722
31	Saili Jayaram More	16,21,249
32	Salins Joel Vihit Sanni	2,464
33	Shalini Sadani	2,331
34	Srinivasan B	9,639
35	Subhash Damodar Zavare	9,639
36	Suneetha TikkiSETTI	2,450
37	Surajprakash Krishanlal Jaggi	9,639
38	T.G.Ramakrishnan	9,639
39	Tina Agrawal	9,639
40	Vanita Kumbhare	23,331
41	Vidya Adwait Joglekar	5,600
42	Ankit P Desai	19,278
43	Arati Ramesh Pali	19,278
44	Arpit Omar	7,707
45	Bhagyashree Dnyanesh Chavan	9,639
46	Chhaya Ganesh Bade	9,639
47	Dinesh Ramchand Chhabria	2,331
48	Girish Thakur Dewnany	9,639
49	Hitesh Kumar Ghevarchand Sanghvi	5,488
50	Jagruti Amit Pimple	9,639
51	Jash Manish Chheda	3,500
52	Jitendra Kantilal Siroya	3500
53	Kalpesh Bhupendra Vora	28,924
54	Kalpesh Manohar Panchal	4,151
55	Kavita Kanhaiya Chhappaniya	9,639
56	Mahesh Vishnupant Mulay	28,924
57	Manoj Ashok Thakare	2,471
58	Mitali Subhash Mitbawkar	9,639
59	Navya Pradeep Sharma	7,000
60	Nitin Dnyanadeo Kesarkar	9,639
61	Padmini Sandip Vanjari	1,869
62	Param Manish Chheda	3,500
63	Pinky Kamlesh Shah	5,488
64	Prasad Bhagwan Goregaonkar	9,639
65	Pratap Haribhau Markande	4,928
66	Pravin Ghanshamdas Wadhvani	1,869
67	Pushpa Raghuvir Sharma	1,869
68	Rahul Madanlal Wani	9,639
69	Raj Kishore	10,500
70	Rasanshi Haresh Thakkar	4,151
71	Rekha Kalpesh Doshi	16,478
72	Rishabh Gupta	2,331

Sr. No.	Name	No. of Shares
73	Shilpa Ritesh Nayyar	9,744
74	Shrena Kalpesh Shah	10,500
75	Shubhangi Nibandhe	2,429
76	Sonal Agarwal	10,500
77	Sonali Chetan Tupe	19,278
78	Subhash Manik Patil	9,660
79	Sunita Rani	10,500
80	Vanita Jeetu Wadhwa	1,869
81	Vinita Harshal Bhandari	9,639
82	Yogesh Prakash Supekar	9,639
83	Aman Ashok Shिवhare	2,331
84	Amit Harishchandra Karade	19,278
85	Amit Sharma	9,975
86	Chaudhary Preeti Jivraj	4,151
87	Dhairya Chetan Visaria	7,000
88	Divya	14,000
89	Ganesh Vitthal Bhadale	19,278
90	Harish Tilakraj Alagh	9,541
91	Jay Arvind Shah	9,639
92	Kalpa Jay Shah	9,639
93	Navendu Vats	4,858
94	Nitin Vijay Bihani	28,924
95	Sachin Bhanudas Budhwant	9,639
96	Sarita Agarwal	35,000
97	Stanley Steaven Quadros	5831
98	Trupti Prabhakar Sardesai	9,639
99	Vicky D Panjwani	1,869
100	Yashvardhan Nitin Tupe	28,924
101	Akshay Vardhaman Services	1,750
102	Anant Labdhi Finserv	1,169
103	Technopolis Innovation LLP	2,429
<b>Total</b>		<b>54,87,440</b>

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. 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 Draft Red Herring Prospectus except mentioned below:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative Paid-Up Equity Shares Capital (₹)
01/10/2024	54,87,440	10	Nil	Other than Cash	Bonus Issue 1:7	6,27,13,600

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## 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft 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)			Total as a % of (A+B+C)	No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class-Equity	No of Voting Rights					No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
									Class	Total								
A	Promoter & Promoter Group	3	43,31,680	-	-	43,31,680	69.07	43,31,680	-	-	69.07	-	-	-	-	-	-	43,31,680
B	Public	101	19,39,680	-	-	19,39,680	30.93	19,39,680	-	-	30.93	-	-	-	-	-	-	19,39,680
C	Non – Promoter Non – Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>104</b>	<b>62,71,360</b>			<b>62,71,360</b>	<b>100.00</b>	<b>62,71,360</b>			<b>100.00</b>							<b>62,71,360</b>

- *As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.*
- *We have only one class of Equity Shares of face value of ₹10/- each.*
- *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.*
- *The term “Encumbrance” has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.*

a) **Equity Shareholding of Directors and Key Managerial Personnel in our Company:**

Except as stated below, none of our Directors' or Key Managerial Personnel 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.	Dr. Ashish Narayan Sakalkar	18,52,856	29.54%	[●]	[●]
2.	Saili Jayaram More	18,52,856	29.54%	[●]	[●]
3.	Sachin Chandrakant Badakh	6,25,968	9.98%	[●]	[●]
	<b>Total</b>	<b>43,31,680</b>	<b>69.07%</b>	<b>[●]</b>	<b>[●]</b>

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

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Dr. Ashish Narayan Sakalkar	18,52,856	29.54
2.	Saili Jayaram More	18,52,856	29.54
3.	Sachin Chandrakant Badakh	6,25,968	9.98
4.	Comercinate Enterprises Private Limited	4,87,320	7.77
5.	Amber Credit Company Ltd	1,62,624	2.59
6.	Dilip Rameshchandra Jagad	1,06,672	1.70
	<b>Total</b>	<b>50,88,296</b>	<b>81.14</b>

c) **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 Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Dr. Ashish Narayan Sakalkar	18,52,856	29.54%
2.	Saili Jayaram More	18,52,856	29.54%
3.	Sachin Chandrakant Badakh	6,25,968	9.98%
4.	Comercinate Enterprises Private Limited	5,69,989	9.09%
5.	Amber Credit Company Ltd	1,62,624	2.59%
6.	Dilip Rameshchandra Jagad	1,06,672	1.70%
	<b>Total</b>	<b>51,70,965</b>	<b>82.44%</b>

d) **List of shareholders holding 1% or more of the paid-up capital of our Company as on March 31, 2024:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Dr. Ashish Narayan Sakalkar	2,43,344	34.76%
2.	Saili Jayaram More	2,43,344	34.76%
3.	Sachin Chandrakant Badakh	78,246	11.18%
4.	Comercinate Enterprises Private Limited	1,11,591	15.94%
5.	Amber Credit Company Ltd	23,475	3.35%
	<b>Total</b>	<b>7,00,000</b>	<b>100.00%</b>

e) **List of shareholders holding 1% or more of the paid-up capital of our Company as on March 31, 2023:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
6.	Dr. Ashish Narayan Sakalkar	3,50,000	50%

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
7.	Saili Jayaram More	3,50,000	50%
	<b>Total</b>	<b>7,00,000</b>	<b>100.00%</b>

**f) List of shareholders holding 1% or more of the paid-up capital of our Company as on March 31, 2022:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre Issue paid up Share Capital
1.	Dr. Ashish Narayan Sakalkar	3,50,000	50%
2.	Saili Jayaram More	3,50,000	50%
	<b>Total</b>	<b>7,00,000</b>	<b>100.00%</b>

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 Draft 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 Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.
12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing / and or future organic and / or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the issue appropriately in due compliance with the applicable statutory provisions.

**13. Details of our Promoters Shareholding**

As on the date of this Draft Red Herring Prospectus, our Promoters Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh hold 43,31,680 Equity Shares, constituting 69.07% of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of shareholding of Promoters are as follows:

- a) Build-up of the shareholding of our Promoters in our Company since incorporation:

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Nature of Consideration	Nature of Consideration/ Allotment/ Acquired/ Transfer	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
<b>Dr. Ashish Narayan Sakalkar</b>							
April 16, 2019	5,000	10	10	Cash	Subscription to MOA	0.08	[●]
March 31, 2022	3,45,000	10	10	Cash	Rights Issue	5.50	[●]
February 13, 2024	(67,533)	10	60	Cash	Transfer to Comercinate Enterprices Private Limited	(1.08)	[●]
February 13, 2024	(39,123)	10	60	Cash	Transfer to Sachin Chandrakant Badakh	(0.62)	[●]



Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Nature of Consideration	Nature of Consideration/ Allotment/ Acquired/ Transfer	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
April 23, 2024	(11,737)	10	120	Cash	Transfer to Comercinate Enterprices Private Limited	(0.19)	[●]
October 01, 2024	16,21,249	10	NA	Bonus issue in the ratio of 7 Equity Share for every 1 Equity Share	Bonus Issue	25.85	[●]
<b>Total</b>	<b>18,52,856</b>					<b>29.54</b>	<b>[●]</b>
<b>Mrs. Saili Jayaram More</b>							
April 16, 2019	5,000	10	10	Cash	Subscription to MOA	0.08	[●]
March 31, 2022	3,45,000	10	10	Cash	Rights Issue	5.50	[●]
February 13, 2024	(44,058)	10	60	Cash	Transfer to Comercinate Enterprices Private Limited	(0.70)	[●]
February 13, 2024	(39,123)	10	60	Cash	Transfer to Sachin Chandrakant Badakh	(0.62)	[●]
February 13, 2024	(23,475)	10	60	Cash	Transfer to Amber Credit Co.	(0.37)	[●]
April 23, 2024	(11,737)	10	120	Cash	Transfer to Comercinate Enterprices Private Limited	(0.19)	[●]
October 01, 2024	16,21,249	10	NA	Bonus issue in the ratio of 7 Equity Share for every 1 Equity Share	Bonus Issue	25.85	[●]
<b>Total</b>	<b>18,52,856</b>					<b>29.54</b>	<b>[●]</b>
<b>Mr. Sachin Chandrakant Badakh</b>							
February 13, 2024	39,123	10	60	Cash	Transfer from Sachin Chandrakant Badakh	0.62	[●]
February 13, 2024	39,123	10	60	Cash	Transfer from Saili Jayaram More	0.62	[●]
October 01, 2024	5,47,722	10	NA	Bonus issue in the ratio of 7 Equity Share for	Bonus Issue	8.73	[●]

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Nature of Consideration	Nature of Consideration/ Allotment/ Acquired/ Transfer	% of the Paid-up Capital	
						Pre-Issue	Post-Issue
				every 1 Equity Share			
<b>Total</b>	<b>6,25,968</b>					9.98	[●]
<b>Total Promoters holding</b>	<b>43,31,680</b>					69.07	[●]

**Notes:**

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

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

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Dr. Ashish Narayan Sakalkar	18,52,856	29.54%	18,52,856	[●]
Saili Jayaram More	18,52,856	29.54%	18,52,856	[●]
Sachin Chandrakant Badakh	6,25,968	9.98%	6,25,968	[●]
<b>Promoter Group</b>				
Nil	NA	NA	NA	[●]
<b>Total</b>	<b>43,31,680</b>	<b>69.07%</b>	<b>43,31,680</b>	<b>[●]</b>

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 Promoters	No. Equity Shares held	Average Cost of Acquisition (in ₹) *
1.	Dr. Ashish Narayan Sakalkar	18,52,856	NIL
2.	Saili Jayaram More	18,52,856	NIL
3.	Sachin Chandrakant Badakh	6,25,968	7.50

15. **We have 104 (One Hundred and Four) Shareholders as on the date of this Draft Red Herring Prospectus.**

16. **We hereby confirm that:**

Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoters Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Draft Red Herring Prospectus:

Date of Allotment/ Transfer	Name of Transferor	Name of Transferee	No of Equity Shares	Issue Price/ Acquired Price	Allotment/ Acquire/ Sale or Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
[●]	[●]	[●]	[●]	[●]	[●]	[●]

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 Draft Red Herring Prospectus.

## 17. Details of Promoters' Contribution and Lock-in details

### *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 Promoter, 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 Draft Red Herring Prospectus, our Promoters holds 43,31,680 Equity Shares constituting 69.07% 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 18,14,272 Equity Shares held by them and subscribed to by them as part of Promoter's Contribution constituting 20.00% 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

Details of the Equity Shares forming part of Promoters Contribution and their lock-in details are as follows:

Name of Promoters	Date of Allotment / Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Pre-Issue Paid-up Capital	% Of Post-Issue Paid-up Capital*	Lock-in Period*
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>									[•]

*\*The above details shall be filled up in the Prospectus.*

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:

- The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Draft 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;
- The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoter upon conversion of a proprietorship firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoter and offered for minimum Promoter's contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and

- 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 Promoter 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 Promoter 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 [●] 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. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment

#### **20. 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.

#### **21. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoter 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:

- a) 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 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;
- b) 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.

#### **22. 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;

- a) The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter 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.
- b) The equity shares held by persons other than promoter and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter 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.

23. 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.
24. As on date of this Draft 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.
25. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
26. As on the date of this Draft 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.
27. 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 254 of this Draft 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.
28. 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 Promoter 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.
29. 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.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. 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.
33. We have 104 (One Hundred Four) Shareholders as on the date of filing of the Draft Red Herring Prospectus.
34. We shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
35. There are no Equity Shares against which depository receipts have been issued.
36. As per RBI regulations, OCBs are not allowed to participate in this issue.
37. This Issue is being made through Book Building Price Issue.
38. 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 Promoter to the persons who receive allotments, if any, in this Issue.
39. 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.

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

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

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Fresh Issue includes a public Issue of up to 22,41,600 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. The Net Proceeds from the Issue are proposed to be utilized by our Company for the following objects:

#### ISSUE PROCEEDS AND NET ISSUE PROCEEDS

The details of the proceeds of the Issue are set forth in the table below:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses <sup>(1)</sup>	[●]
Net Proceeds of the Issue <sup>(2)</sup>	[●]

(1) The Issue expenses are estimated expenses and subject to change.

(2) To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC

#### NET FRESH ISSUE

Our Company proposes to utilize the Net Proceeds from Issue towards funding the following objects (collectively, referred to herein as the “Objects”):

1. Funding capital expenditure requirements towards acquiring machinery in the manufacturing unit;
2. Funding the incremental working capital requirements of our Company;
3. Repayment and/or prepayment, in part or full, of certain of our outstanding borrowings availed by our Company; and
4. General Corporate Purposes

Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

#### UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the manner set out in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Break-up of the expenditure Fiscal 2025	Break-up of the expenditure Fiscal 2026
1	Funding capital expenditure requirements towards acquiring machinery in the manufacturing unit	600.00	600.00	-
2	Funding the incremental working capital requirements of our Company	1,300.00	200.00	1,100.00
3	Repayment and/or prepayment, in part or full, of certain of our outstanding borrowings availed by our Company	100.00	50.00	50.00
4	General Corporate Purposes	[●]	[●]	[●]
Net Proceeds*		[●]	[●]	[●]

\*The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue.

^ The amounts are tentative and including GST.

## REQUIREMENTS OF FUNDS AND MEANS OF FINANCE

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates and other commercial and technical factor We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factor For further details, see “Risk Factors” on Page no. 28. The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards 75% of the stated means of finance.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilization towards any of the objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

## DETAILS OF THE OBJECTS OF THE ISSUE

The details of the Objects of the Issue are set out below:

### 1. Funding capital expenditure requirements towards acquiring machinery in the manufacturing unit:

An amount of Rs. 567.70 lakhs are proposed to be invested in the machinery to be installed at the existing manufacturing unit at Rajkot, Gujarat. Our Company has intended to purchase and install new machineries at the existing manufacturing unit. The details of the same are as follows:

Khandelwal Pharma and Cosmetic Equipments is the vendor having its office at Bhumi world industrial park, Bldg no. B-8, Shed no.3, Pimplas Village, Nashik Bypass road, Bhivandi, Thane (GST-27AAPFK8063Q1ZB)

Sr. No.	Particulars	Description	Quantity UOM	Rate (Rs.)	Amount (Rs.)
1	Rapid mixer granulator, Model	<p>It consists of ‘u’ shaped bowl fabricated from 3 mm thk 316q aisi materials and end covers from 5mm thk.</p> <p>Both end covers will be cladged typr to impart gmp finish. One side will be fixed type and other will be bolted type.</p> <p>Agitator shaft will have paddle type bladders made out of 10 mm thk AISI 316 materials.</p> <p>Paddles are arranged so as to give thorough and uniform mixing.</p> <p>The mixer will be mounted on two nos.</p>	2.00 NOS	20,50,000	41,00,000



Sr. No.	Particulars	Description	Quantity UOM	Rate (Rs.)	Amount (Rs.)
		The top cover will be hinged type and will have safety lock.			
2	Fluid bed dryer, model	Application: drying of powders  Volume: 240 ltrs. Gross  Capacity: 250 kgs at 0.5 kgs/ltrs. Bulk density of powder.  Drive: non-exproof , tefc Pressure: atmospheric	2.00 NOS	33,35,000	66,70,000
3	Octagonal blender	Model: GMP-1500 LTRS. Item code:179 CPMOB-1500 Packing charges Other part Discharge cone with drum assembly Trolley for drum Validation documents (DQ/IQ/OQ)	2.00 NOS	14,60,000	29,20,000
4	Vibro sifter	Model: Cgmp Output: 60 to 200 Kg/ hr depends upon size of the mesh and product Contact: ss 316 Non contact parts : ss 304 Vibro motor: 0.5 HP, 1440 RPM, good earth make Material with discharging chamber and fitted with screen of any mesh as required the same will be clamped with shell. The screen and shell of the unit will be mounted on SS springs	2.00 NOS	4,68,000	9,36,000
5	Multi mill	Wheel: pu castors  Gaskets: food grade neoprene/ silicone rubber  Output: 200 kgs/hr. depend upon the nature of product or selection of mesh size  Motor: NON FLP, Hindustan make Motor  power:3 HP, 2880 Rpm	2.00 NOS	5,00,000	10,00,000
6	Paste kettle	Model: CGMP  The vessel made out of SS 316 material shell thk 3 mm having open able loose top	2.00 NOS	5,75,000	11,50,000

Sr. No.	Particulars	Description	Quantity UOM	Rate (Rs.)	Amount (Rs.)
		<p>cover and bottom hemispherical dish end.</p> <p>The vessel is also provided with 3 mm thk jacket and hemispherical dish end.</p> <p>Heating media: Electric, g kw The jacket hydro tested at 5 kg/cm2.</p> <p>The vessel insulation done by glass wool covered by 2 mm ss sheet.</p> <p>Inside of the vessel and outside of the insulation buffed and polished into mirror finished.</p> <p>The vessel Is A shaped ss 304 legs.</p>			
7	Coating pan (autocoater )	A Coating Pan (Autocoater) is a high-efficiency machine designed for uniform coating of tablets, capsules, or other solid forms. It features a perforated pan for even distribution of coating materials, integrated with advanced controls like PLC or HMI for precise monitoring of temperature, spray rate, and airflow. With multiple spray guns and an efficient drying mechanism, it ensures consistent quality and reduced material wastage. Built to GMP standards, the autocoater is versatile, user-friendly, and suitable for various coating applications in pharmaceuticals, food, and chemicals.	2.00 NOS	14,00,000	28,00,000
8	Double rotary tableting machine	Offers high production capacity with dual rotary turrets, ensuring uniform weight, thickness, and hardness of tablets. It features an advanced control system with PLC or HMI for precise monitoring and operation, along with tooling flexibility to accommodate various tablet sizes and shapes. Designed with stainless steel construction and dust extraction systems, it ensures durability,	2.00 NOS	74,00,000	1,48,00,000

Sr. No.	Particulars	Description	Quantity UOM	Rate (Rs.)	Amount (Rs.)
		hygiene, and compliance with GMP standards. The machine also includes safety features like overload protection and interlocks, while its user-friendly design allows for easy cleaning, maintenance, and continuous operation.			
9	Blistering packing machine	<p>Blister packing machines are essential in the pharmaceutical, consumer goods, and food industries for efficient and precise packaging of products.</p> <p>When it comes to choosing right blister packing machine for your specific needs, several factors need to be taken into consideration.</p> <p>Product specification</p> <p>Production volume</p> <p>Material compatibility</p> <p>Automation and technology</p> <p>Regulatory compliance.</p>	2.00 NOS	20,40,000	40,80,000
10	Blistering machine	<p>Cutting frequency: 10 25 times/ min</p> <p>Adjustable travel range- 35-220mm</p> <p>Max. forming area - 490 x 220mm</p> <p>Max forming depth- standard machine: 38 mm</p> <p>Custom machine: 60 mm</p> <p>Sealing and heating powder: 4KW</p>	2.00 NOS	30,75,000	61,50,000
11	Striping machine	<p>Strip packing the versatile design of the machine makes it eminently adaptable for packing a variety of products like pharmaceuticals uncoated and coated tablets, soft gelatin capsules and many more.</p> <p>They are designed to handle a large range of products with utmost precision and speed upto 2400 units per minute.</p> <p>Salient feature:</p> <p>Cavity shape and knurl design of choice.</p> <p>Vibratory feed control for higher output.</p>	2.00 NOS	17,25,000	34,50,000
				2,40,28,000	4,80,56,000

Sr. No.	Particulars	Description	Quantity UOM	Rate (Rs.)	Amount (Rs.)
	CGST (9%)				43,25,040
	SGST (9%)				43,25,040
	Total A			28,38,53,040	5,67,70,608
	Total B*				32,29,390
	Total A+B				6,00,00,000

\*Our Company has estimated approx. Rs.32.29 lakhs towards other expenses. This may include transportation charges, installation costs, additional charges, delivery charges, applicable taxes, duties and contingencies.

Notes:

(1) Except as stated above, 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) Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, except as stated above, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries or at the same costs.

(3) The machinery 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) 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, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment 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) 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.

## 2. Funding incremental working capital requirement:

Our business is working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and financing from banks. As on November 30, 2024, the aggregate amount sanctioned by the banks to our Company under the fund-based cash credit facilities amounted to ₹ 391.42 Lakhs. For details of facilities availed by us, see chapter titled "Statement of Financial Indebtedness" beginning on page 209 of this Draft Red Herring Prospectus. We propose to utilise ₹ 1,300 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal Year 2025.

Our Company's existing working capital based on the Restated Financial Information is stated below:

(₹ in lakhs)

Sr. No.	Particulars	Year Ended	Year Ended	Year Ended	Period Ended 30th November, 2024
		31st March, 2022	31st March, 2023	31st March, 2024	
<b>I</b>	<b>Current Assets</b>				
1	Short-Term Loans and Advances	65.57	45.95	73.86	65.98
2	Other Current Assets	-	-	-	4.37
3	Trade Receivables	640.30	860.88	1,615.18	2,226.46
4	Inventories	50.33	150.08	143.89	17.70
5	Cash and Bank Balances	13.68	12.37	0.64	55.64
	<b>Total Current Assets</b>	<b>769.88</b>	<b>1,069.28</b>	<b>1,833.56</b>	<b>2,370.15</b>
<b>II</b>	<b>Current liabilities</b>				
	Short-term borrowings	268.91	342.65	519.30	476.83
	<b>Trade payables</b>	452.95	554.01	581.02	515.42
	Other current liabilities	45.67	15.54	19.32	30.44
	Short-term provisions	20.04	66.58	86.13	238.07
	<b>Total Current Liabilities</b>	<b>787.57</b>	<b>978.77</b>	<b>1,205.78</b>	<b>1,260.76</b>

Sr. No.	Particulars	Year Ended	Year Ended	Year Ended	Period Ended 30th November, 2024
		31st March, 2022	31st March, 2023	31st March, 2024	
<b>III</b>	<b>Total Working Capital Gap</b>	<b>(17.69)</b>	<b>90.50</b>	<b>627.79</b>	<b>1,109.39</b>
<b>IV</b>	<b>Funding Pattern</b>				
	<b>Internal Accruals / Long Term borrowings</b>	<b>(17.69)</b>	<b>90.50</b>	<b>627.79</b>	<b>1,109.39</b>
	<b>IPO Proceeds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	Year Ended	Year Ended	Year Ended	Period Ended 30th November, 2024
	31st March, 2022	31st March, 2023	31st March, 2024	
Inventory Days	41	109	55	17
Trade Receivable Days	203	419	290	223
Trade Payable Days	234	423	214	128
Working Capital Days	10	105	131	112

As certified by M/s. Doshi Doshi and Co., Chartered Accountants, by way of their certificate dated December 27, 2024

#### Future Working Capital Requirements

Our Company proposes to utilize ₹1,300 lakhs of the Net Proceeds for our working capital requirements. Out of the Net Proceeds, ₹1,300 lakhs will be utilized during Fiscal 2025 towards our Company's working capital requirements.

The working capital needs as estimated by our management are as explained below:

(₹ in lakhs)

Sr. No.	Particulars	Year Ended	Year Ended	Year Ended	Year Ended
		31st March, 2025	31st March, 2026	31st March, 2027	31st March, 2028
<b>I</b>	<b>Current Assets</b>				
1	Short-Term Loans and Advances	87.61	89.61	91.61	78.50
2	Other Current Assets	-	-	-	-
3	Trade Receivables	3,138.98	4,514.41	6,576.38	9,982.99
4	Inventories	184.39	340.43	510.74	629.51
5	Cash and Bank Balances	1,058.81	796.81	394.81	292.81
	<b>Total Current Assets</b>	<b>4,469.79</b>	<b>5,741.27</b>	<b>7,573.54</b>	<b>10,983.81</b>
<b>II</b>	<b>Current liabilities</b>				
	Short-term borrowings	449.30	419.30	389.30	359.30
	<b>Trade payables</b>	-	-	-	-
	Total outstanding dues other than micro enterprise and small enterprise	1,268.11	2,063.92	2,610.62	4,047.08
	Other current liabilities	21.32	26.32	29.32	29.32
	Short-term provisions	328.74	503.15	850.57	1,410.52
	<b>Total Current Liabilities</b>	<b>2,067.47</b>	<b>3,012.70</b>	<b>3,879.82</b>	<b>5,846.22</b>

Sr. No.	Particulars	Year Ended	Year Ended	Year Ended	Year Ended
		31st March, 2025	31st March, 2026	31st March, 2027	31st March, 2028
III	<b>Total Working Capital Gap</b>	<b>2,402.32</b>	<b>2,728.57</b>	<b>3,693.72</b>	<b>5,137.59</b>
IV	<b>Funding Pattern</b>				
	<b>Internal Accruals*</b>	<b>1,602.32</b>	<b>2,228.57</b>	<b>3,693.72</b>	<b>5,137.59</b>
	<b>IPO Proceeds</b>	<b>400.00</b>	<b>900.00</b>	<b>-</b>	<b>-</b>

Particulars^	Year Ended	Year Ended	Year Ended	Year Ended
	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2026	31 <sup>st</sup> March, 2027	31 <sup>st</sup> March, 2028
<b>Inventory Days</b>	31	29	32	29
<b>Trade Receivable Days</b>	250	251	250	251
<b>Trade Payable Days</b>	164	166	164	162
<b>Working Capital Days</b>	117	113	117	118

^ Number of days are lower rounded off.

\*Internal Accruals include funds raised from issue of shares, cash accruals for the year and short-term debt, if any.

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories:	The Company aims to maintain efficient inventory levels to achieve cost competitiveness and shorter lead times. The Company's inventory contains raw material, finished goods and packing material. Historical holding days for inventories were averagely 68 days for the fiscal years ending March 2022 to 2024. As the Company plans to expand operations and add capacity, it aims to keep inventory holding days around 30 days in Fiscal 2025, 2026, 2027 and Fiscal 2028 to ensure adequate availability and support expected growth.
2	Trade receivables	Our company has historical holding level for Trade Receivables days as ranging from 7.5 months to 1.25 years considering the normal credit period in the export of medicines business. Estimated Trade receivable cycle will be approximately 250 days for FY 2024- 25, FY 2025-26, FY 2026-27 and FY 2027-28 respectively. Typically, the trade receivables cycle is approximately 5 to 6 months however, due to the year-end, some receivables are not making promptly payments as on March-2024 resulting in a higher receivables period as of year-end. The Company's strategy to extend credit terms to customers is expected to foster stronger relationships and drive sales growth. More credit period is taken by the customers as majority of the sales is export of goods therefore the receivable days are more as compared with the normal sale of medicine business, since the business is such whose collection cycle period is more.
3	Other current assets including Short term loans and advances	The key items under this head include security deposit, advances to suppliers, cash and bank balances, and balances with government authorities
<b>Current Liabilities</b>		
4	Short term borrowings	Short term borrowings consists of loans taken from bank and other financial institutions, including loans from directors and other related parties.
5	Trade payables	The holding days for trade payables showed significant variation, on an average 9 months during Fiscal 2022 to Fiscal 2024. The Company intends to stabilize trade payable days around 160 days in Fiscal 2025 and in the future. This strategy aims to secure discounts and favourable terms from suppliers, enhancing overall profitability. Trade payables majorly contains payables for purchase of raw materials in the ordinary course of business.

Sr. No.	Particulars	Assumptions
6	Other current liabilities	Other current liabilities include provisions, statutory dues, salary payable, security deposit payable and expenses payable.

*Our Company is engaged in the manufacturing and export of both pharmaceutical formulations and nutraceutical products in domestic and various African markets. Our Company operates under brand "Asston". Presently our Company is involved in the business of manufacturing and marketing of Tablets, Capsules, Oral Liquid, External Preparations (Ointment, Cream, Gel and Lotion) and Oral Powder (Sachet, Dry Syrup) etc. Apart from manufacturing products for direct sales, our Company also manufactures various pharmaceutical products for different marketers on loan license or on contract manufacturing basis. Our business is majorly carried out on principle-to-principle basis with different marketers. We are sometimes constrained to take new order or higher value order because of working capital requirement. However, with matured relationship over the years we shall negotiate future contract with advance payments from client and milestone based contracts.*

*Presently most of our sales is derived from the Export markets. We gradually intend to expand our business segment operations and plan to continue our strategy of diversifying and expanding our presence in other segments for the growth of our business.*

*As certified by M/s. Doshi Doshi & Co., Chartered Accountants, by way of their certificate dated December 27, 2024.*

#### **A. Inventory Holding Days**

**Justification:** - Throughout from financial Year 2021-22 to 2023-24, our average inventory holding days consistently rose aligning with the growth in our revenue. In FY 2022-23, there is a surge in inventory holding days. This is due to there was certain amount of inventory which was sold to export customer, however there was an uncertain event due to which this inventory was lying at the importing country port only and the transaction was not completed.

Keeping Inventory level at its optimum would help organization to keep the costs optimum thereby increasing earning level and Inventory level in the upcoming years is estimated to remain stable.

With prudent and pragmatic approach in stocking raw materials, management tries keeping balance between the optimum levels of the inventory and effect on profitability. Management has projected average inventory holding days at approximately around 150 days for FY 2025, 2026, 2027 and FY 2028.

#### **B. Trade Receivable Holding Days**

**Justification:** - As a medicine exporting company, we primarily operate in an industry where realisation of sales proceeds takes certain amount of time. On one aspect, money is blocked while the other is an indicator of business volume. So due to the inherent nature of our business, at any given point of time we would have trade receivables. The lower the trade receivables, better is our cash position. Throughout the financial Year 2021-22 to 2023-24, our average trade receivable days consistently rose from approximately 7.5 months to 1.25 years, aligning with the growth in our revenue.

The company's contracts are primarily with clients from different countries. As a result, the working capital cycle is extended, with receivables taking approximately seven to nine months to be collected from these entities.

As a result, the working capital cycle is longer because it takes a long time to collect the receivables from these entities.

Management envisage that receivables cycle in the new projects will be approximately 8 months.

#### **C. Trade Payables Holding Days**

**Justification:** - In contrast to trade receivables, trade payable holding days indicate that the company owes money to others. The longer the holding period, the better it is for working capital. The average trade payable days were 9 months in the fiscal year 2022, 2023 and 2024. Looking forward to fiscal Year 2025 and 2026, we have set objectives to reduce the creditors cycle period to 150 to 160 days. This is primarily because management envisages fulfilment of raw material orders on time by the vendors and thereby making payment effectively within creditor's terms. We believe our relationship with suppliers and vendors is important for timely material delivery. A good working arrangement with them helps grow our business, allowing us to negotiate better terms and build long-lasting relationships with creditors.

#### **Rationale for Increase in Working Capital Requirements**

As a medicine exporting company, we operate in an industry where it takes some time to realise the receivables. Due to the nature of our business, we consistently have trade receivables. The export process is time consuming where it takes some time to get the products delivered to the customers and post that realising its payment.

***Our need for incremental working capital is briefly explained below:***

**1. Order Receipt and manufacturing:**

After receipt of the Purchase order from the customers, company sources the raw material and begins the manufacturing process either on its own plant or place the order with contract manufacturers for its products. Manufacturing process itself takes 2 months after procuring all the material required to manufacture the product. depending on the complexity and volume of the product to be delivered. The company needs to ensure timely availability of working capital for manufacturing and dispatch of Products. During this period, the company is not generating any revenue but needs capital for inventory and labour costs.

**2. Time lag between Shipping of products and receipt by customer:**

The Company dispatches its products through shipping line, which takes approximately 6-7 weeks to reach its destination. The majority of revenue for the Company is from export of its products. Depending on the location, shipping could take several weeks or months, especially if it involves international logistics. There is a substantial time gap between shipping the products for exports and it reaching the destination country, and after clearance from the destination port to the customer at the end. The customs clearance in the destination country takes one week as well. This marks the point at which the company has delivered the goods but has not yet received any payment, in such scenario substantial amount of working capital is stuck in the Trade Receivables for its subsequent recovery. While the export process is time consuming, the customers pay the amount due post receiving the products after 4-6 months. The Company takes major amount of time from receiving the order, and manufacturing products, shipping the order and delivering the order to the customer. Post this, the customer takes 4-6 months to complete the payment. Hence, this long process takes time from using the capital in production till realisation of sales proceeds.

**3. Establishment of market for medicines by customers:**

To establish the market for the company’s medicine products in the exporting country, sometimes it takes few months for its registration by the customer for use in its market. In case of new/certain products in order to be sold in the exporting markets it needs registration of product in the destination export market and sold to the ultimate end users by the company’s customers. The customer increases the payment cycle by these months and hence increase the number of Trade Receivables days and result in increase of the working capital gap. The Company will try to establish its business in new geographical territories for export of its products. This will require significant working capital to establish in new locations. Also, this would require registering the company's products in those countries as well, which needs decent amount of working capital. The company plans to initiate sale of more products in the market and this would need additional working capital for its associated costs. Costs such as research and development, registration charges and manufacturing costs shall increase, which will again need additional working capital. Such costs are ancillary to the business and its development.

**4. Advances to Vendors for Raw Material:**

In order to timely receive Raw material and the correct quality of products, the company has to pay the supplier of raw materials some advance payment to certain vendors. This helps the company to ensure that the raw materials are available timely and of the correct quality. Some of the working capital gets stuck here.

**5. Amount required for Cost of materials consumed:**

The Cost of materials consumed to revenue from operations ratio for all the financial years is mentioned below. This indicates a significant amount of working capital is required to fund the cost of materials consumed in the manufacturing process.

Particulars	Nov-24	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations	2,068.16	1,558.62	653.8	959.85
Cost of materials consumed	1,152.69	975.41	334.93	767.37
% of Cost of materials consumed to revenue from operations	55.73%	62.58%	51.23%	79.95%



Further the estimations for the projected period depicts the requirement of working capital for cost of materials consumed.

Particulars	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Revenue from Operations	3,473.80	5,575.44	8,111.96	12,056.61
Cost of materials consumed	1945.33	3,345.26	4,867.18	7,233.97
<b>% of Cost of materials consumed to revenue from operations</b>	56.00%	60.00%	60.00%	60.00%

A significant amount is required to spend on purchasing raw materials, Because of this, businesses need more working capital to cover operational expenses like buying more inventory, paying suppliers, and managing cash flow gaps.

### **6. Impact of New Manufacturing Facility on Working Capital Requirements:**

The Company has leased a manufacturing facility for its operations and this would result in increase in the operations of the company. New orders would require raw material apart from the other overhead cost, leading to a higher investment in inventory and consequently tying up additional working capital. Other ancillary costs such as labor charges, registration charges and freight and forwarding charges would increase too. Larger orders with suppliers might require upfront payments or longer credit terms, thereby increasing working capital demands to ensure continuous production without delays.

### **3. Repayment/prepayment, in part or full, of certain of our borrowings:**

Our Company has entered various financial arrangements with banks and financial institutions. The loan facilities entered by our Company include unsecured borrowing in the form of, inter alia, Business loan, Term loans, working capital facilities and Vehicle loan. For further details, including indicative terms and conditions, see “Financial Indebtedness” on page 209.

As on 30<sup>th</sup> November, 2024, our outstanding loan is amounted to ₹ 697.11 Lakhs. Our company proposes to utilize an estimated amount of ₹ 100 Lakhs from the Net Proceeds towards repayment/ prepayment, in part or full, of certain borrowings availed by our Company. The repayment/ prepayment will help to reduce our outstanding indebtedness and interest costs to maintain a favorable debt-equity ratio and enable us to further utilizations of funds from our internal accruals for further investment in business growth and expansion. Further, our Company shall pay the prepayment charges or any other cost, if any, on the loans identified below, out of internal accruals of the company.

Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, the aggregate amount to be utilized from the Net Proceeds towards repayment/ prepayment of certain borrowings (including refinanced or additional borrowings availed, if any, or otherwise), in part or in full, would not exceed ₹ 100 Lakhs.

The following table sets forth details of certain borrowings availed by our Company, which are outstanding as on November 30, 2024, which our Company shall repay, all or a portion of, any or all of the borrowings, from the Net Proceeds up to ₹ 100 Lakhs:

Name of Lender	Nature of Borrowing	Date of letter of sanction	Amount sanctioned	Amount outstanding as on November 30, 2024	Applicable rate of interest as on November 30, 2024	Tenor/ Repayment Schedule	Prepayment penalty/ conditions
Ashv Finance Ltd	Term Loan	22-07-2024	30.00	27.46	19.5% p.a.	36	No Prepayment allowed till 6 months of disbursement, any prepayment post 6 EMI's will attract penalty of 5% plus Goods and Service Tax on principal outstanding

Name of Lender	Nature of Borrowing	Date of letter of sanction	Amount sanctioned	Amount outstanding as on November 30, 2024	Applicable rate of interest as on November 30, 2024	Tenor/ Repayment Schedule	Prepayment penalty/ conditions
Axis Bank Limited	Term Loan	29-09-2022	20.00	6.40	Rate of Interest is 1 Year MCLR 8.1% p.a. + Spread 6.9% p.a.	36	Part prepayment- 2% of outstanding loan plus GST Foreclosure- Upto 24 months- 4%, 25-36 months- 3%, more than 36 months- 2%
Poonawalla Fincorp Ltd	Term Loan	08-12-2023	25.00	19.65	17.5% p.a.	36	5% on amount being prepaid plus applicable taxes.
L&T Finance Ltd.	Term Loan	22-07-2024	20.00	19.11	17.0% p.a.	48	Not Applicable
Kisetsu Saison Finance (India) Private Limited	Term Loan	02-08-2024	25.50	23.44	18.5% p.a.	30	6% + GST (12 Months) 4% + GST (From 13 to 24 Months) 2.5% + GST (25 Month onwards)
Tata Capital Ltd.	Term Loan	11-07-2024	35.00	32.71	17.0% p.a.	36	5% of principal outstanding.
<b>Total</b>			<b>155.50</b>	<b>128.77</b>			

*\*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated December 27, 2024, from the Statutory Auditors Doshi Doshi & Co., Chartered Accountants certifying the utilization of the borrowings towards the purposes for which such borrowings were availed by us.*

*# Any excess amount will be paid by the company from internal accruals as per the actual outstanding amount at the time of repayment.*

The borrowings proposed to be repaid/ prepaid out of the borrowings provided above, which has been approved pursuant to a resolution passed by our Board on shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any law, rules, regulations governing such borrowings, and (v) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals.

***In case, we are unable to raise the Issue proceeds till the due date for repayment/ prepayment of any of the above mentioned portion of the loans, same shall be kept paid from the internal accruals of the company till the time issue proceeds are realized. However, once the issue proceeds are realized, same shall be utilized to repay/ prepay any of the above mentioned portion of the loans to the tune of ₹ 100 Lakhs of the net proceeds.***

### **General Corporate Purpose**

Our management will have flexibility to deploy ₹ [●], 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.

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 Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 15% of the amount raised by our Company through the Issue of Equity Shares.

## ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●], which is [●] of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in lakhs)				
Sr. No.	Particulars	Amount (₹ in lakhs) <sup>(1)</sup>	% of Total Expenses <sup>(1)</sup>	% of Total Issue size <sup>(1)</sup>
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses.	[●]	[●]%	[●]%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	[●]	[●]%	[●]%
3	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]%	[●]%
4	Advertisement and Marketing Expenses	[●]	[●]%	[●]%
5	Stock Exchange Fees, Regulatory and other Expenses	[●]	[●]%	[●]%
Total		[●]	[●]%	[●]%

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

(2) The SCSBs and other intermediaries will be entitled to a commission of ₹[●]/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

(3) The SCSBs would be entitled to processing fees of ₹[●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

(4) Further the SCSBs and other intermediaries will be entitled to selling commission of [●] % of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

## APPRAISAL AND BRIDGE LOANS

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds.

## YEAR WISE DEPLOYMENT OF FUNDS / SCHEDULE OF IMPLEMENTATION

Estimated schedule of commencement and completion

Sr. No.	Particulars	Estimated date of commencement	Estimated date of completion
	Capital expenditure towards acquiring machinery		
1	Planning and Procurement of Machinery	April 2025	July 2025
2	Installation of Machinery	July 2025	August 2025

## MONITORING OF UTILIZATION OF FUNDS

Since the proceeds from the Issue do not exceed ₹10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for

purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds 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.

#### **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 authorised 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. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTERS' GROUP FROM THE IPO PROCEEDS**

There are no anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors and Key Managerial Personnel. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our Board of Directors, our Key Management Personnel or Enterprise in which our KMP's has significant influence except in the normal course of business in compliance with applicable law.

***[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]***

## BASIS FOR ISSUE PRICE

The Price Band and Issue Price shall be determined by our Company in consultation with the Book Running Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business Overview” beginning on page 28, 207, 213 and 148 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

### QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the Issue Price are:

- Formulation Expertise.
- Experienced Promoters.
- Wide range of Products.
- Strategic Location.
- Skilled Workforce
- Good relationship with contract manufacturers
- Quality Assurance
- Good relationship with clients in the export market
- Competitive Pricing
- Asset Light Model

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Our Business” beginning on page 148 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from company’s Restated Financial Statements for the period ended November 30, 2024 and financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 which are prepared in accordance with Accounting Standards (Indian GAAP) For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page no. 207 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

#### **1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”), as adjusted for changes in capital.**

*As per Restated Financial Statements*

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2024	2.37	3
March 31, 2023	1.89	2
March 31, 2022	11.62	1
<b>Weighted Average</b>	3.75	
November 30, 2024 (Not Annualised)	5.38	

Note: Company has issued Bonus equity shares in the ratio of 1:7 as on 1st October, 2024.

#### **Notes:**

1. The figures disclosed above are based on the Restated Financial Statements of the Company.
2. The company has the equity shares face value of Rs. 10/- each.

3. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
4. *Earnings per Share has been calculated in accordance with AS 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
5. *The above statement should be read with Significant Accounting Policies and the Statement of Notes to the Restated Financial Statements as appearing in Annexure 4.*
6. *Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period.*
7. *Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.*

**2. Price Earnings Ratio (“P/E”) in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

*As per Restated Financial Statements*

Particulars	(P/E) Ratio at the Floor Price* (no. of times)	P/E) Ratio at the Cap Price (no. of times)
<b>Based on Restated Financial Statements</b>		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS for Nov-2024	[●]	[●]

*\*To be updated at the price band stage.*

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

**3. Return on Net worth (RoNW)**

*As per the Restated Financial Statements:*

Sr. No	Period	RONW (%)	Weights
1	Financial Year ending March 31, 2024	21.28%	3
2	Financial Year ending March 31, 2023	53.21%	2
3	Financial Year ending March 31, 2022	11.90%	1
	<b>Weighted Average</b>	<b>30.36%</b>	
	November 30, 2024 (Not Annualised)	34.55%	

**Note:**

- i. *The figures disclosed above are based on the Restated Financial Statements of the Company.*
- ii. *The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period*
- iii. *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

**4. Net Asset Value (NAV) per Equity Share (Face Value of ₹10 each).**

*As per Restated Financial Statements*

Financial Year	NAV per Share (in Rs.)
March 31,2024	10.19
March 31,2023	3.55
March 31,2022	1.66
November 30,2024	15.57
Net Asset Value per Equity Share after the Issue at Floor Price	[●]
Net Asset Value per Equity Share after the Issue at Cap Price	[●]
Issue Price	[●]

Note: Company has issued Bonus equity shares in the ratio of 1:7 as on 1st October, 2024.

**5. Comparison of accounting ratios with listed Industry peers.**

S. No.	Name of the Company	Standalone/ Consolidated	Face Value (Per share)	CMP	EPS (Rs)	P/E Ratio	RONW (%)	NAV (Rs. Per share)
1.	<b>Asston Pharmaceuticals Limited</b>	Standalone	10	[●]	2.37	[●]	21.28%	10.19
<b>Peer Group*</b>								
2.	<b>Shelter Pharma Limited</b>	Standalone	10	56.39	5.36	9.17	17.77	30.17
3.	<b>Bafna Pharmaceuticals Limited</b>	Standalone	10	80.00	3.11	25.11	9.08	34.17
4.	<b>Trident Lifeline Limited</b>	Standalone	10	265	6.10	26.74	13.37	45.81

*Note: Industry Peer may be modified for finalization of Issue Price before filing Draft Red Herring Prospectus with ROC.*

*\* Sourced from Annual Reports, audited Financials, NSE.*

#### Notes:

- Considering the nature and turnover of business of the Company, the peers are not strictly comparable. However, the same has been included for broader comparison.
- The figures for Asston Pharmaceuticals Limited are based on the standalone restated results for the year ended March 31, 2024.
- The figures for the peer group are based on audited results for the year ended March 31, 2024.
- Current Market Price (CMP) is the closing price of NSE respective scrip as on December 28, 2024.

The face value of our share is ₹10/- per share and the Issue Price is of ₹ [●] per share are [●] times of the face value.

*Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Statements” beginning on page 207 of this Draft Red Herring Prospectus.*

#### 6. **Key Performance Indicators (“KPI”).**

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 27, 2024, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee 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 Draft Red Herring Prospectus. Further, the KPIs herein have been certified by Peer review Auditors by their certificate dated December 27, 2024.

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 213 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on pages 1 of this Draft Red Herring Prospectus.

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 chapter titled “Objects of the Issue”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

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 chapter titled “*Objects of the Issue*”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

### Key Performance Indicators of our Company

1. Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company.

### KPI Indicators

(₹ In Lakhs except percentages and ratios)

Sr. No.	Particulars	For the period ended	For the year ended		
		November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
1	Revenue from operations <sup>(1)</sup>	2,068.16	1,558.62	653.80	959.85
2	EBITDA <sup>(2)</sup>	378.71	254.58	151.66	(35.55)
3	EBITDA (%) Margin <sup>(3)</sup>	18.31%	16.33%	23.20%	(3.70%)
4	PAT <sup>(4)</sup>	337.49	136.03	105.66	11.06
5	PAT Margin <sup>(5)</sup>	16.32%	8.73%	16.16%	1.15%
6	Return on Equity (ROE)% <sup>(6)</sup>	41.77%	32.47%	72.49%	9.98%
7	ROCE% <sup>(7)</sup>	44.47%	34.29%	56.08%	31.68%
8	Debt- Equity Ratio <sup>(8)</sup>	0.71	1.07	2.64	3.56
9	Net Fixed Assets Turnover Ratio (Times) <sup>(9)</sup>	23.66	14.29	5.78	10.46
10	Current Ratio (Times)	1.88	1.52	1.09	0.98
11	EPS <sup>(10)</sup>	5.38	2.37	1.89	11.62

### Notes:

1. Revenue from operations is the total revenue generated by our Company.
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 is Profit Before Tax-current tax-deferred tax.
5. PAT Margin is PAT/Revenue from operations
6. ROE is Net profit after tax/Total Equity
7. ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total debt
8. Debt Equity Ratio is Net Debt/Total equity\*Net debt =non current borrowing +current borrowing -cash and cash equivalent, Bank balance and investment in Mutual funds. Total Equity= Equity share capital +other equity
9. Net fixed asset turnover ratio=Revenue from operations/Fixed Asset
10. Current Ratio: Current Asset over Current Liabilities
11. EPS is mentioned as EPS for the period



## Explanation 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.
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
EBITDA Growth Rate %	EBITDA Growth Rate informs the management of annual growth rate in EBITDA of company in consideration to previous period
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicate the company's ability to bear its short term obligations
Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day to day business
PAT	Profit after Tax is an indicator which determine the actual earning available to equity shareholders
ROE	It is an indicator that shows how much the company is generating from its available shareholders' funds
EPS	Earnings per share is the company's earnings available of one share of the Company for the period

## Operational KPI

Particulars	For the period ended		For the year ended	
	November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
Total Production (MT)	5,80,000	6,00,000	4,20,000	3,00,000
Power and fuel cost	9.81	0.53	0.39	0.39
Labour cost	70.28	145.23	65.04	94.15

## 2. GAAP Financial Measures

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Indian Accounting Standards ("Ind AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company.

**On the basis of Restated financial statements.**

(₹ in lakhs)

Particulars	For the period ended November 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations	2,068.16	1,558.62	653.80	959.85
Profit after tax	337.49	136.03	105.66	11.06
Cash flow from operating activities	39.37	(380.03)	(31.57)	(118.64)
Cash Flow from investing activities	89.31	(0.54)	(91.21)	(0.20)

Particulars	For the period ended November 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Cash Flow from financing activities</b>	(73.99)	368.84	121.46	129.26
<b>Net Change in Cash and cash equivalents</b>	55.00	(11.73)	(1.31)	10.43

### 3. Non- GAAP Financial measures

Non-GAAP Financial measures are numerical measures of the Technical Guide on Disclosure and Reporting of KPIs issuer company's historical financial performance, financial position, or cash flows that:

- i. Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or

Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled "Adjusted Net Income," is a Non-GAAP Financial measure.

#### On the basis of Restated financial statements.

(in ₹ lakhs, except %)

Particulars	For the period ended November 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>EBITDA</b>	378.71	254.58	151.66	(35.55)
<b>Revenue from operations</b>	2,068.16	1,558.62	653.80	959.85
<b>PAT</b>	337.49	136.03	105.66	11.06
<b>EBITDA margin</b>	18.31%	16.33%	23.20%	(3.70%)
<b>Working capital</b>	1,109.39	627.78	90.50	(17.69)
<b>PAT Margin</b>	16.32%	8.73%	16.16%	1.15%
<b>Net worth</b>	976.74	639.25	198.59	92.93

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

#### On the basis of Restated Standalone financial statements.

Particulars	For the period ended November 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Current ratio</b>	1.88	1.52	1.09	0.98
<b>Debt-equity ratio</b>	0.71	1.07	2.64	3.56
<b>Inventory turnover ratio</b>	14.27	6.64	3.34	8.84

Particulars	For the period ended November 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Trade receivables turnover ratio</b>	1.08	1.26	0.87	1.80
<b>Trade payables turnover ratio</b>	1.37	1.45	0.73	1.62
<b>Net capital turnover ratio</b>	1.86	2.48	7.22	(54.26)
<b>Net profit ratio</b>	16.32%	8.73%	16.16%	1.15%
<b>Return on equity ratio</b>	41.77%	32.47%	72.49%	9.98%
<b>Return on capital employed</b>	44.77%	34.29%	56.08%	31.68%

Ratio	Explanation
<b>Current Ratio</b>	Current Assets divided by Current Liabilities
<b>Debt-equity ratio</b>	Total Debt divided by Net Worth
<b>Debt service coverage ratio</b>	EBIT divided by Total Debt + Finance Cost
<b>Inventory turnover ratio</b>	Cost of Goods Sold divided by Average Inventory
<b>Trade receivables turnover ratio</b>	Revenue from Operations divided by Average Debtors
<b>Trade payables turnover ratio</b>	Total Operating Expenses divided by Average Creditors
<b>Net capital turnover ratio</b>	Revenue from Operations divided by Working Capital
<b>Net profit ratio</b>	Profit after Tax divided by Total Revenue
<b>Return on equity ratio</b>	Profit after Tax divided by Net Worth
<b>Return on capital employed</b>	EBIT divided by Net worth Plus Total Debt

*This space has been left blank intentionally*

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

(Amount in ₹ lakhs, except %)

Particulars	Asston Pharmaceuticals Limited				Shelter Pharma Limited			Bafna Pharmaceuticals Limited			Trident Lifeline Limited		
	Standalone				Standalone			Standalone			Standalone		
	November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22	FY 2023-24	FY 2022-23	FY 2021-22
Revenue from operations <sup>(1)</sup>	2,068.16	1,558.62	653.80	959.85	4,002.00	3,615.27	3,005.54	15,246.57	11,534.99	8,514.03	4,470.00	3,169.22	2,176.80
Growth in Revenue from Operations <sup>(2)</sup>	-	138.39%	31.88%	-	10.70%	20.29%	-	32.18%	35.48%	0.00%	41.04%	45.59%	-
EBITDA <sup>(3)</sup>	378.71	254.58	151.66	(35.55)	869.66	812.93	292.66	1,463.36	1,898.83	1,141.42	1,100.00	740.44	427.61
EBITDA (%) Margin <sup>(4)</sup>	18.31%	16.33%	23.20%	(3.70%)	20.88%	22.03%	9.74%	9.60%	15.90%	16.00%	23.55%	23.36%	19.64%
PAT <sup>(5)</sup>	337.49	136.03	105.66	11.06	620.02	520.58	185.69	738.44	1,149.11	515.11	700.00	601.20	394.77
PAT Margin <sup>(6)</sup>	16.32%	8.73%	16.16%	1.15%	15.49%	14.40%	6.18%	4.82%	9.69%	6.00%	15.77%	18.97%	18.14%
Net Worth <sup>(7)</sup>	976.74	639.25	198.59	92.93	3,581.58	1,454.88	880.54	8,083.90	7,345.46	6,288.04	5,270.00	4,563.16	477.57
ROCE% <sup>(8)</sup>	44.54%	34.29%	56.08%	31.68%	22.89%	46.55%	31.32%	10.52%	16.67%	11.54%	18.21%	15.27%	49.00%
Current Ratio <sup>(9)</sup>	1.88	1.52	1.09	0.98	20.15	3.00	2.43	1.75	1.88	2.14	3.10	4.63	1.41
ROE <sup>(10)</sup>	41.77%	32.47%	72.49%	9.98%	17.31%	35.78%	23.23%	9.13%	15.64%	8.61%	13.37%	26.08%	229.19%
EPS <sup>(11)</sup>	5.38	2.37	1.89	11.62	5.36	6.72	38.37	3.11	4.86	2.17	6.10	6.22	6.92

\*\*All the information for listed industry peers mentioned above are sourced from their respective audited financial results and/or annual report and restated financial statements provided in their respective Prospectus.

Notes:

<sup>(1)</sup> Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies

<sup>(2)</sup> Growth in Revenue (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period

<sup>(3)</sup> EBITDA is calculated as Profit before tax + Depreciation + Finance Cost- Other Income

<sup>(4)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(5)</sup> PAT is mentioned as PAT for the period

<sup>(6)</sup> PAT Margin: PAT divided by Total Income

<sup>(7)</sup> Net Worth: Share Capital plus Reserve and Surplus

<sup>(8)</sup> ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total debt

<sup>(9)</sup> Current Ratio: Current Asset over Current Liabilities

<sup>(10)</sup> ROE/ RONW is calculated PAT divided by shareholders' equity

<sup>(11)</sup> EPS is mentioned as EPS for the period

## 7. Justification for Basis for Issue price

### a. The price per share of our Company is based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares.

Except as mentioned below, there has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares), during the 18 months preceding the date of this Draft Red Herring Prospectus, 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.

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration
10/01/2024	83,920	10	363	Cash	Preferential Issue	3,04,62,960
01/10/2024	54,87,440	10	Nil	Other than Cash	Bonus Issue 1:7	NIL
<b>Weighted average cost of acquisition (WACOA) Primary Issuances (in ₹ per Equity Share)</b>						<b>5.47/-</b>

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

Except as mentioned below, 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), during the 18 months preceding the date of this Draft Red Herring Prospectus, 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 share 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.

Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired/ Sold	Total Consideration	Subscribed/ Transferred	Acquired/
Dr. Ashish Narayan Sakalkar	Feb 13, 2024		-40,51,980	Transfer	-67,533.00	
Dr. Ashish Narayan Sakalkar	Feb 13, 2024		-23,47,380	Transfer	-39,123.00	
Dr. Ashish Narayan Sakalkar	April 23, 2024		-14,08,440	Transfer	-11,737.00	
Saili Jayaram More	Feb 13, 2024		-26,43,480	Transfer	-44,058.00	
Saili Jayaram More	Feb 13, 2024		-23,47,380	Transfer	-39,123.00	
Saili Jayaram More	Feb 13, 2024		-14,08,440	Transfer	-23,475.00	
Saili Jayaram More	April 23, 2024		-14,08,440	Transfer	-11,737.00	
Sachin Badakh	Feb 13, 2024		23,47,380	Acquired	39,123.00	
Sachin Badakh	Feb 13, 2024		23,47,380	Acquired	39,123.00	
<b>Weighted average cost of acquisition (WACOA) Secondary Issuances (in ₹ per Equity Share)</b>					<b>68.88</b>	

### c. Since there is an eligible transaction of our Company reported in (a) & (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities, Selling Shareholders or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Red Herring Prospectus has not been computed.

### d. Weighted average cost of acquisition, Issue Price.

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Offer Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share) ^	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition of primary issuances	5.47	[●]	[●]
Weighted average cost of acquisition for secondary transactions	68.88	[●]	[●]

^As certified by Doshi Doshi & Co., Chartered Accountants, by way of their certificate dated December 27, 2024.

\* To be updated in the Red Herring Prospectus prior to filing with RoC.

**e. Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2023, 2022 and 2021 and for the period ended December 31, 2023.**

[●]\*

\*To be included on finalization of Price Band.

**f. The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹10/- per share and the Issue Price is of ₹[●] per share are [●] times of the face value. Our Company in consultation with the Book Running Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 207 of this Draft Red Herring Prospectus.

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## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
**Asston Pharmaceuticals Limited**  
(formerly known as Asston Pharmaceuticals Private Limited)  
4th Floor, Office No. A-431 Balaji Bhavan,  
Plot No 42A Sector-11 CBD Belapur,  
Navi Mumbai, Thane – 400 614,  
Maharashtra, India

Dear Sir,

Sub: Statement of Possible Special Tax Benefits available to Asston Pharmaceutical Limited (“the Company”) and its shareholders prepared in accordance with the requirements in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“SEBI ICDR Regulations”)

We refer to proposed issue of the shares Asston Pharmaceuticals Limited (“the Company”) states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”) presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that; 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. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares (“the Issue”) by the Company.

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;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorities/courts will concur with the views expressed herein.

The contents of the enclosed statement 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.

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Doshi Doshi & Co.,

Chartered Accountants  
Firm Reg No: 153683W  
Peer Review Certificate No.: 014874

SD/-

Chintan R. Doshi

Partner

Membership Number: 158931

UDIN: 25158931BMIFPH5795

Place: Ahmedabad

Date: December 27<sup>th</sup>, 2024

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## ANNEXURE

### ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the special tax benefits available to Asston Pharmaceuticals Limited (the “Company”) and its Shareholders under the Income Tax Act, 1961 (the “Act”) as amended by the Finance Act, 2024 read with relevant rules, circular and notifications issued from time to time, applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India

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 different interpretation on the benefits, which an investor can avail.

#### SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT”)

##### a.Special tax benefits available to the Company

Section 115BAA of the Act, as inserted vide the Taxation Laws (Amendment) Act, 2019, provides that domestic company has to opt for a corporate tax rate of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. As company opts for section 115BAA, provisions of Minimum Alternate Tax (‘MAT’) would not be applicable and unutilized MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year. The Company may claim such beneficial tax rate in future years subject to giving away any other income-tax benefits under the Act (other than the deduction available under section 80JJAA and 80M of the Act) and fulfilling the then prevailing provisions under the Act.

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction under section 80JJAA of the Act with respect to an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business, for three assessment years including the assessment year relevant in which such employment is provided. Further, where the Company wishes to claim such possible tax benefit, it shall obtain necessary certification from Chartered Accountant on fulfilment of the conditions under the extant provisions of the Act.

#### B.SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

The Shareholders of the Company are not entitled to any special tax benefits under the Act, However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Act.

•Section 112A of the Act provides for concessional rate of tax on long term capital gain arising on transfer of equity shares, the amount of income-tax calculated on such long-term capital gains exceeding one lakh twenty-five thousand rupees—

- (a) on long-term capital gains at the rate of ten per cent for any transfer which takes place before the 23rd day of July, 2024; and
- (b) on long-term capital gains, at the rate of twelve and one-half per cent for any transfer which takes place on or after the 23rd day of July, 2024.

•Section 111A of the Act provides for concessional rate of tax, the tax payable by the assessee on the total income shall be the aggregate of—

(i) the amount of income-tax calculated on such short-term capital gains—

(a) at the rate of fifteen per cent for any transfer which takes place before the 23rd day of July, 2024; and

(b) at the rate of twenty per cent for any transfer which takes place on or after the 23rd day of July, 2024.

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

#### STATEMENT OF SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND THE SHAREHOLDERS OF THE COMPANY

The Company is primarily engaged in the business of manufacture and sale of pharmaceutical and nutraceutical products. The Company sells its products in domestic as well as global markets, majority of sales is made from exports. The Company has active GST registered under 01 State only i.e., Maharashtra.

##### A.Special tax benefits available to the Company

Brief framework is as below -

•A taxable supply includes all forms of supply of goods or services or both such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration in the course or furtherance of business. Such supply is chargeable to tax at applicable rates with the standard rate being 18%.

•GST is not chargeable on exempt supplies. Exempt supplies are those which either attract NIL tax rate or have been made exempt by way of notification. Taxpayers are not entitled to claim Input Tax Credit on exempt supplies.

Further, the exporter has the option to –

•supply goods or services under bond or Letter of Undertaking (LUT) without payment of tax and claim refund of unutilized ITC;  
or

•Supply goods or services on payment of tax and claim refund of such tax paid.

##### B.Special tax benefits available to the shareholders of the Company

There are no special tax benefits available to the shareholders under the indirect taxes.

Note:

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

- This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders /investors in the country outside India are advised to consult their own professional advisors regarding possible income-tax consequences that apply to them.

- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

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## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we, the Lead Manager nor any of our or their respective affiliates or advisors nor any other person connected with Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect.

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Red Herring Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" beginning on page 28 and 207 respectively of the Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 28 of the Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.*

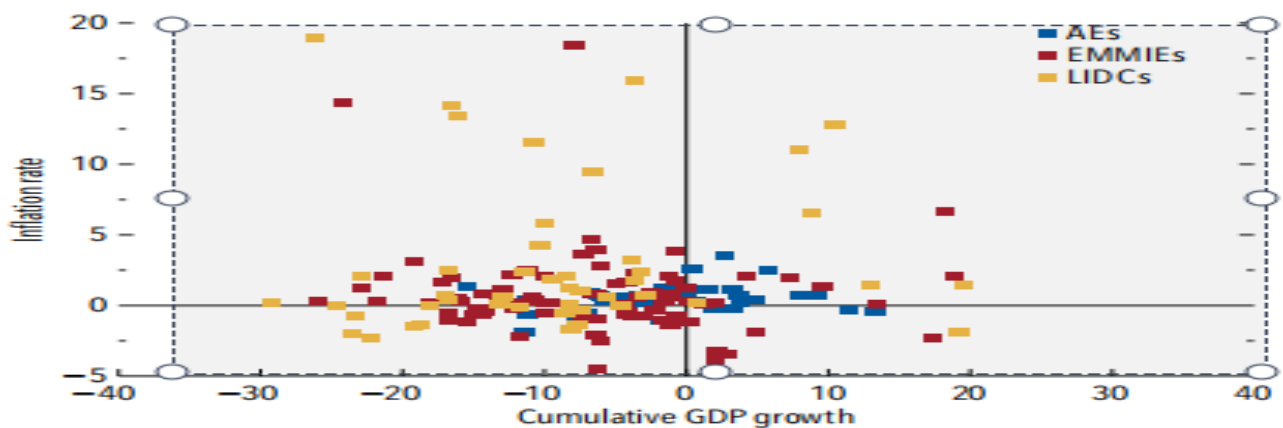
### GLOBAL ECONOMY

Global growth is expected to remain stable yet underwhelming. At 3.2 percent in 2024 and 2025, the growth projection is virtually unchanged from those made in both the July 2024 World Economic Outlook Update and the April 2024 World Economic Outlook forecast. However, notable revisions have taken place beneath the surface since April 2024, with upgrades to the forecast for the United States offsetting downgrades to those for other advanced economies—in particular, the largest European countries. Likewise, in emerging market and developing economies, disruptions to production and shipping of commodities—especially oil—conflicts, civil unrest, and extreme weather events have led to downward revisions to the outlook for the Middle East and Central Asia and that for sub-Saharan Africa. These have been compensated for by upgrades to the forecast for emerging Asia, where surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The latest forecast for global growth five years from now—at 3.1 percent—remains mediocre compared with the pre-pandemic average. Persistent structural headwinds—such as population aging and weak productivity—are holding back potential growth in many economies. Cyclical imbalances have eased since the beginning of the year, leading to a better alignment of economic activity with potential output in major economies. This adjustment is bringing inflation rates across countries closer together and on balance has contributed to lower global inflation. Global headline inflation is expected to fall from an annual average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. As global disinflation continues to progress, broadly in line with the baseline, bumps on the road to price stability are still possible. Goods prices have stabilized, but services price inflation remains elevated in many regions, pointing to the importance of understanding sectoral dynamics and of calibrating monetary policy accordingly. Risks to the global outlook are tilted to the downside amid elevated policy uncertainty. Sudden eruptions in financial market volatility—as experienced in early August—could tighten financial conditions and weigh on investment and growth, especially in developing economies in which large near-term external financing needs may trigger capital outflows and debt distress. Further disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, could prevent central banks from easing monetary policy, which would pose significant challenges to fiscal policy and financial stability. Deeper- or longer-than-expected contraction in China's property sector, especially if it leads to financial instability, could weaken consumer sentiment and generate negative global spillovers given China's large footprint in global trade. An intensification of protectionist policies would exacerbate trade tensions, reduce market efficiency, and further disrupt supply chains. Rising social tensions could prompt social unrest, hurting consumer and investor confidence and potentially delaying the passage and implementation of necessary structural reforms. As cyclical imbalances in the global economy wane, near-term policy priorities should be carefully calibrated to ensure a smooth landing. In many countries, shifting gears on fiscal policy is urgently needed to ensure that public debt is on a sustainable path and to rebuild fiscal buffers; the pace of adjustment should be tailored to country-specific circumstances. Structural reforms are necessary to lift medium-term growth prospects, but support for the most vulnerable should be maintained. Multilateral cooperation is needed more than ever to accelerate the green transition and to support debt-restructuring efforts. Mitigating the risks of geoeconomic fragmentation and strengthening rules-based multilateral frameworks are essential to ensure that all economies can reap the benefits of future growth.

The past four years have put the resilience of the global economy to the test. A once-in-a-century pandemic, eruption of geopolitical conflicts, and extreme weather events have disrupted supply chains, caused energy and food crises, and prompted governments to take unprecedented actions to protect lives and livelihoods. The global economy has demonstrated resilience overall, but this masks uneven performance across regions and lingering fragilities. The negative supply shocks to the global economy since 2020 have had

lasting effects on output and inflation, with varied impacts across individual countries and country groups. The sharpest contrasts are between advanced and developing economies. Whereas the former have caught up with activity and inflation projected before the pandemic, the latter are showing more permanent scars, with large output shortfalls and persistent inflation (Figure 1.1). They also remain more vulnerable to the types of commodity price surges that followed Russia’s invasion of Ukraine (Figure 1.2).

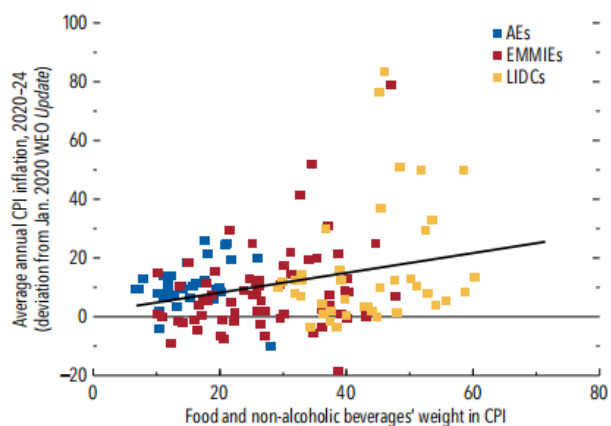
Figure 1.1. Growth and Inflation Revisions



Source: IMF staff calculations.

Note: X-axis reports latest estimates for cumulative GDP growth from 2020 to 2024 in deviation from January 2020 WEO Update forecast. Y-axis reports latest estimates for inflation rate in 2024 in deviation from January 2020 WEO Update forecast. AEs = advanced economies; EMMIEs = emerging market and middle-income economies; LIDCs = low-income developing countries; WEO = World Economic Outlook.

Figure 1.2. Inflation Surprises and Importance of Food in CPI (Percent)



Source: IMF staff calculations.

Note: The solid line denotes linear regression. AEs = advanced economies; CPI = consumer price index; EMMIEs = emerging market and middle-income economies; LIDCs = low-income developing countries; WEO = World Economic Outlook.

Since the beginning of the year, signs have emerged that cyclical imbalances are being gradually resorbed, with economic activity in major economies better aligned with their potential. These developments may have helped bring inflation rates across countries closer together, but the momentum in global disinflation appears to have slowed in the first half of the year. Goods prices have stabilized, and some are declining, but services price inflation remains high in many countries, partly reflecting rapid wage increases, as pay is still catching up with the inflation surge of 2021–22. This has forced some central banks to delay their policy-easing plans, putting public finances under more pressure, especially in countries where debt-servicing costs are already high and refinancing needs significant. Now, as before, the global outlook will be shaped largely by fiscal and monetary choices, their international spillovers, the intensity of geoeconomic fragmentation forces, and the ability of governments to implement long-overdue structural reforms. With inflation approaching central bank targets and governments striving to manage debt dynamics, the policy mix is expected to shift from monetary to fiscal tightening as monetary policy rates are brought

down, closer to their natural levels. How fast such rotations occur in individual countries will have consequences for capital flows and exchange rates. The level of uncertainty surrounding the outlook is high. Newly elected governments could introduce significant shifts in trade and fiscal policy. Moreover, the return of financial market volatility over the summer has stirred old fears about hidden vulnerabilities. This has heightened anxiety over the appropriate monetary policy stance—especially in countries where inflation is persistent and signs of slowdown are emerging. Further intensification of geopolitical rifts could weigh on trade, investment, and the free flow of ideas. This could affect long-term growth, threaten the resilience of supply chains, and create difficult trade-offs for central banks. On the upside, governments could succeed in building the necessary consensus around overdue and difficult-to-pass structural reforms, which would boost growth and enhance fiscal sustainability and financial stability.

In many advanced economies, disinflation has come at a relatively low cost to employment, thanks partly to offsetting supply developments. These included a faster-than-expected decline in energy prices and a surprising rebound in labor supply, bolstered by substantial immigration flows that helped cool labor markets. Since the beginning of 2024, signs that cyclical imbalances are being gradually resorbed have helped bring inflation rates across countries closer together. Disinflation has continued broadly as expected

but did show signs of slowing in the first half of the year, suggesting potential bumps on the road to price stability. The persistence in core inflation has been driven primarily by services price inflation. At 4.2 percent, core services price inflation is about 50 percent higher than before the pandemic in major advanced and emerging market economies (excluding the US). This contrasts with core goods price inflation, which has declined all the way to zero. Recent increases in shipping rates, especially for routes to and from China, have put upward pressure on goods prices. However, this source of upward pressure has been mitigated so far by declining prices for exports from China (. Stubbornness in services price inflation partly reflects higher nominal wage growth relative to pre-pandemic trends. Even as labor market pressure has started to ease, wage negotiators have continued to aim for sizable raises to counter the cost-of-living squeeze felt after the 2021–22 inflation surge. That nominal wage growth continues to run higher after the inflation surge is consistent with past inflationary episodes-when real wages catch up to their equilibrium level determined by labor productivity-and does not necessarily risk a wage-price spiral. With output gaps expected to close, and assuming no disruptions to labor supply in advanced economies, wage growth is expected to moderate. Whether recent increases translate into further persistence in core inflation will depend on (1) the impact of recent real wage increases on unit labor costs, which itself depends on labor productivity, and (2) the willingness of firms to absorb increased unit labor costs in their profit margins. These two factors seem to be working differently in the largest two advanced economies but should still allow disinflation to continue. In the United States, wage growth has reflected productivity gains lately, keeping unit labor costs contained. In the euro area, recent wage increases have exceeded productivity, raising unit labor costs. However, European firms should be able to absorb those costs, given large increases in profit shares in recent years.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>)

## OVERVIEW ON INDIAN ECONOMY

### INTRODUCTION

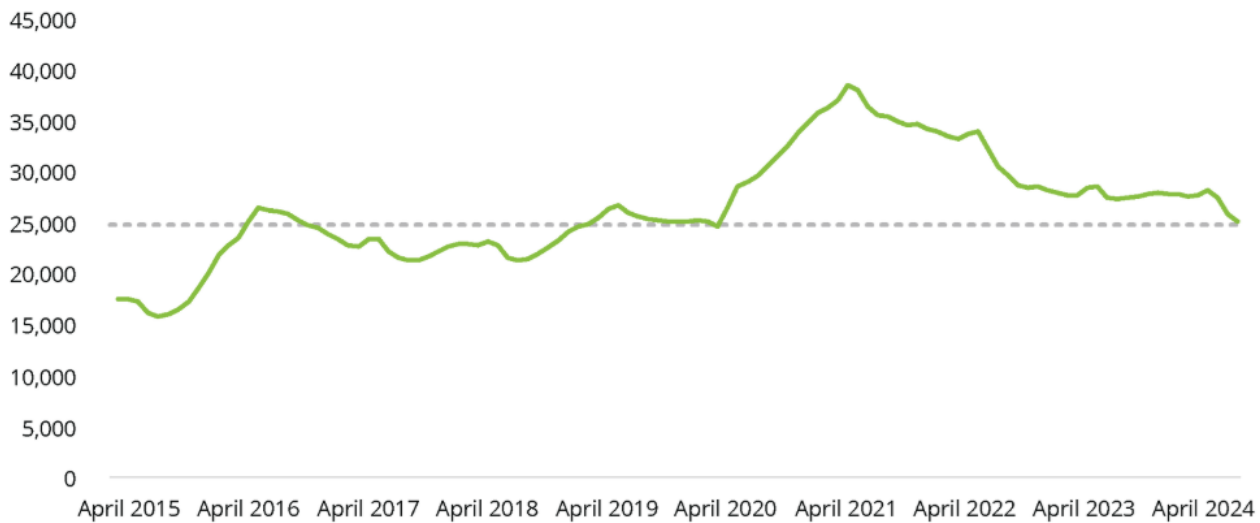
India is a 5<sup>th</sup> largest economy in the world by nominal GDP at US\$ 3.94 trillion. Economy grew by 8.2% in FY24 and logged 5.4% growth rate in Q2 FY25 while the GDP growth rate for FY25 is expected to be around 7% – 7.2%, which is still among the highest in the world. India's economy is a mix of traditional and modern agriculture, technology services, the handicraft industry, and business outsourcing. The services sector is the largest and fastest-growing, contributing over 60% of GDP. Agriculture contributes around 12% of GDP but employs over 50% of the workforce. Manufacturing accounts for 15% of GDP. With stable government at the center, favourable demographic, various policy reforms like GST and labour laws, various growth policies like “Make in India”, PLI, FAME, etc India is expected to grow and reach US\$ 8 trillion economy in next decade.

Growth is likely to pick up, driven by increasing consumer spending, especially in rural India, as inflation subsides, and agricultural output improves after favorable monsoon conditions. A tempered global growth outlook and a delayed synchronized recovery in Western economies-compared to what was previously expected-will likely weigh on India's exports and outlook for the next fiscal year. At the same time, India may benefit from higher capital inflows, translating into long-term investment and job opportunities as multinational companies around the world look to reduce operational costs further. There are some green shoots in labor market trends-with a rise in the share of salaried positions and services subsectors demanding higher qualifications, including business and professional services in the areas of technology and finance. Female participation in the labor force has also increased, particularly in rural areas. However, a heavy reliance on agricultural jobs continues, and informal employment remains prevalent. The government's focus on boosting manufacturing and improving youth employability, coupled with India's young and aspirational population, presents a unique opportunity for economic growth. As the country advances toward becoming a US\$5 trillion economy, expanding manufacturing and emerging industries and transitioning toward clean-energy alternatives will likely create high-quality, formal, and green jobs. This will help many Indian states that are aspiring to grow rapidly, as they are already investing in these areas to tap into India's demographic advantage.

## Employment under the MGNREGA scheme has been coming down sharply, which points to the existence of steadier jobs elsewhere

Employment demanded by persons

Numbers in thousands  
12 month-moving average



Note: 12-month moving average data being plotted to remove the seasonal effect and understand the underlying trend.

Source: Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), accessed Oct. 1, 2024.

(Source: <https://www2.deloitte.com/in/en/pages/about-deloitte/articles/india-economic-outlook-october-2024.html>)

### 1. India's near-term outlook

Five factors will drive growth in the upcoming quarters.

- Rural consumption spending is rebounding due to moderating inflation, specifically in food. Besides, better rainfall (over June to September, precipitation in the country as a whole was 109% of its long-period average in 2020, and it has been the third highest since 1994) and all-time high production and stock of kharif crops<sup>8</sup> (such as rice and paddy sown during the monsoon season from June to August) point to robust agricultural output this year, thereby further pushing rural demand.<sup>9</sup> This will likely factor into spending during festive months and beyond.
- The government's reduced capital expenditures during the election will likely be made up for in the latter half of the year, thereby boosting the overall economy.
- Manufacturing sector capacity utilization is at an all-time high of 76.4%, which suggests that private investments in the sector will pick up. Higher capex will also crowd in investments.
- Oil prices are expected to remain modest and range-bound, which will help reduce import bills and, therefore, the current account deficit. Besides, low oil prices will also reduce the cost of imported intermediate goods and raw materials, bringing down production costs.
- Last but not least, as US elections conclude in November and the Federal Reserve looks to ease monetary policy further by the end of the year, higher liquidity, policy stability, and a modest growth outlook in the United States could incentivize global investors and multinational corporations to invest outside the United States. India will likely benefit from these trends and see higher capital inflows translate into long-term investment and job opportunities.

Indian economy is expected to grow between 7% and 7.2% in fiscal 2024 to 2025, followed by between 6.5% and 6.8% in fiscal 2025 to 2026 (admittedly, slightly lower than previously estimated) (figure 1). India's slightly slower growth in the subsequent year will likely be tied to broader global trends, including sluggish growth and a delayed synchronous recovery in the West, as anticipated

earlier. Slowing global trade and supply chain disruptions due to intensifying geopolitical uncertainties will also affect demand for exports. Despite these challenges, we will continue to see the difference between actual GDP and no-COVID-19 levels progressively narrowing as growth picks up pace.

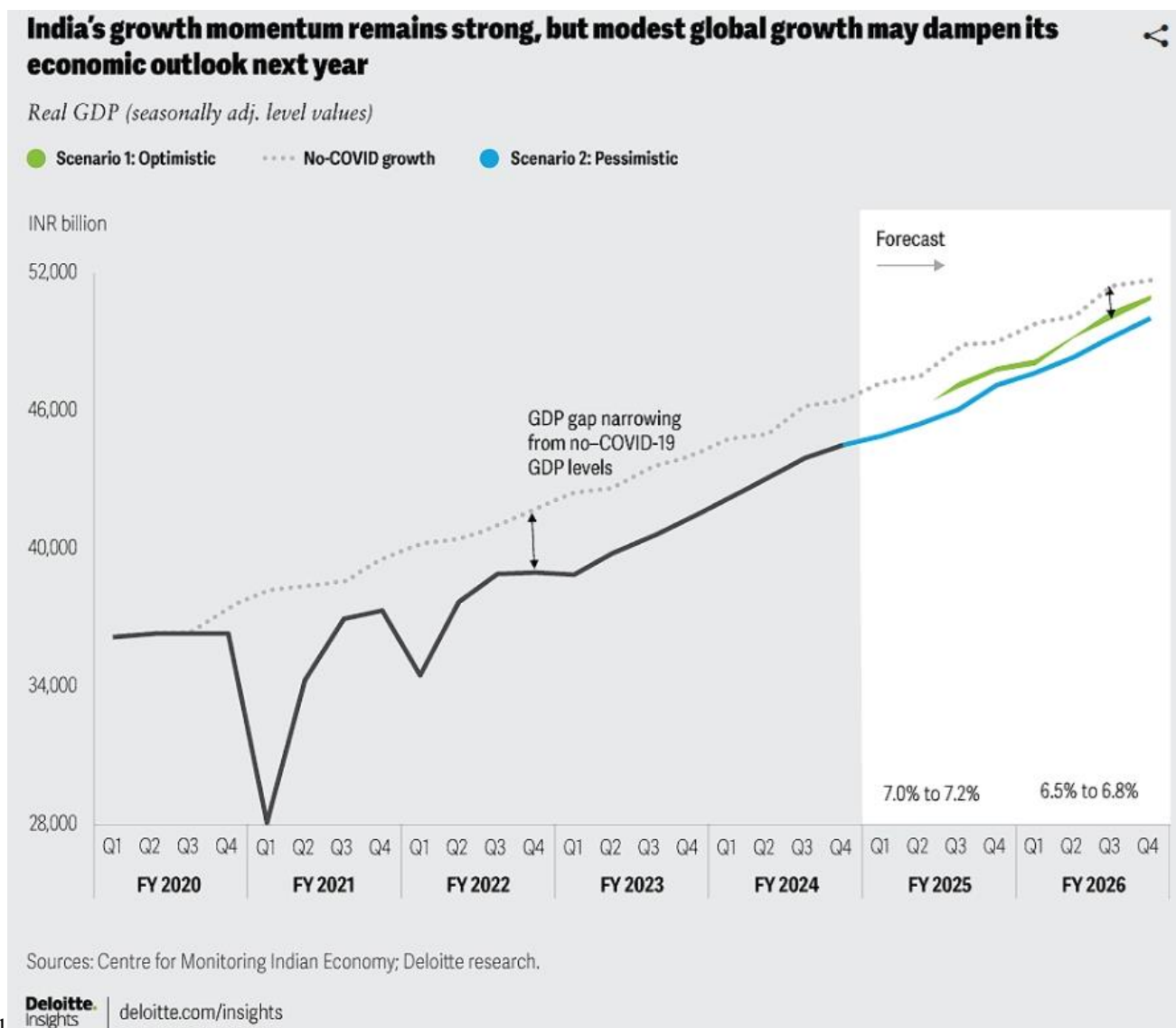
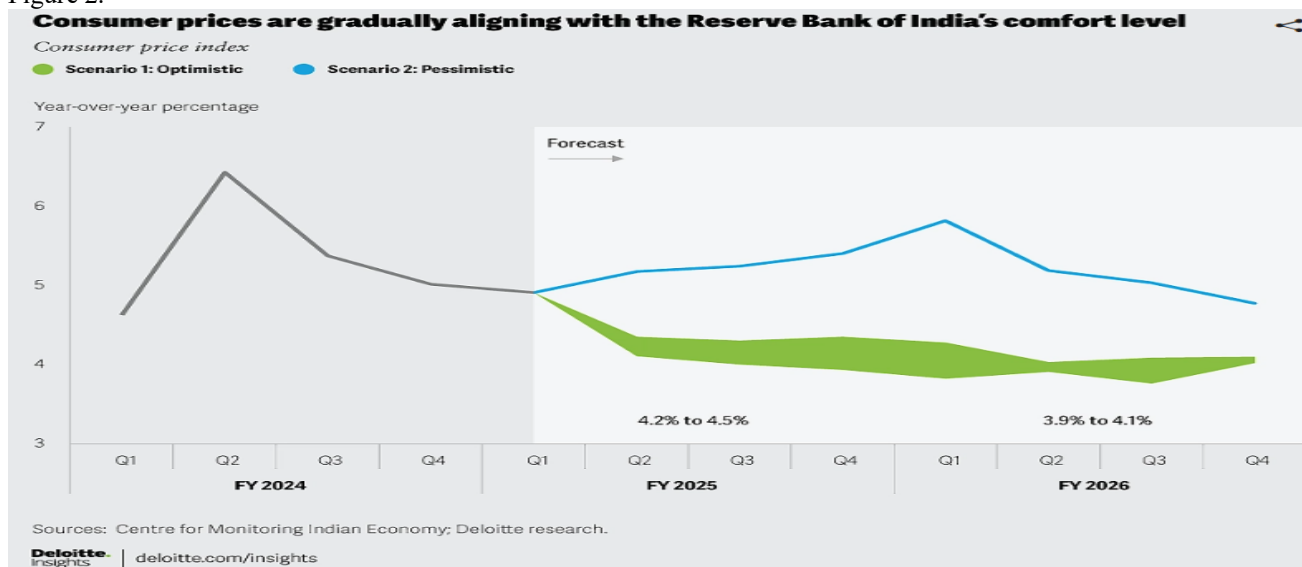


Figure 1

Inflation concerns are fading as expected, with better rainfall and proactive government interventions improving the food supply chain. Inflation may ease further in the latter half of the year. However, stronger growth may also pressure inflation as demand outpaces supply. We expect inflation to slowly revert to the Reserve Bank of India's target level of 4% from early next year and remain within its comfort zone over the forecast period



Figure 2.



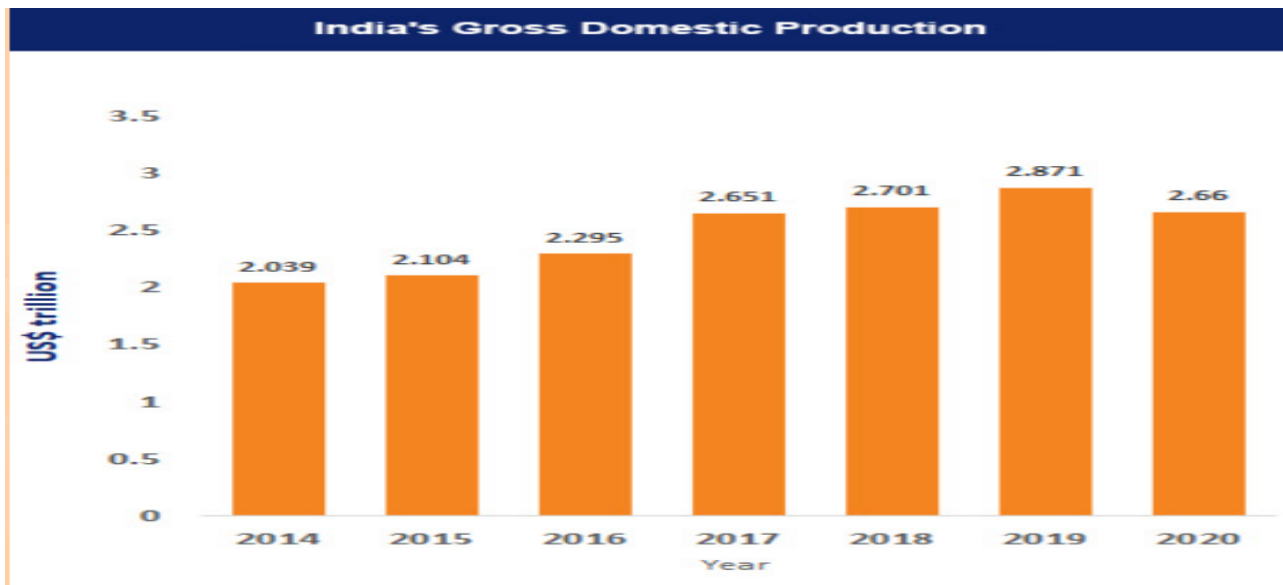
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices for Q1 2024-25 is estimated at Rs. 77.31 lakh crores (US\$ 928.9 billion) with growth rate of 9.7%, compared to the growth of 8.5% for Q1 2023-24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-September 2025, India’s exports stood at US\$ 211.46 billion, with Engineering Goods (26.57%), Petroleum Products (16.51%) and electronic goods (7.39%) being the top three exported commodity. Rising employment and 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 rationalisation 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. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP or GDP at Constant (2011-12) Prices for the period Q1 2024-25 is estimated at Rs. 43.64 lakh crore (US\$ 524 billion), against the First Revised Estimates (FRE) of GDP for the year Q1 2023-24 of Rs. 40.91 lakh crore (US\$ 491 million). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, ‘Pancharit’. Moreover, India ranked 3rd in the renewable energy country attractive index.



According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 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 same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 9.7 billion for the Q1 2024-25 from US\$ 8.9 billion in Q1 2023-24 or 1.1% of GDP. This was largely due to decrease in merchandise trade deficit.

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 Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

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

### **Some key economic pointers:**

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 prioritise 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.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of October 11, 2024, India's foreign exchange reserves stood at US\$ 690.43 billion.
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- In September 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.73 lakh crore (US\$ 20.83 billion).
- Between April 2000–June 2024, cumulative FDI equity inflows to India stood at US\$ 1,013.45 billion.
- In August 2024, the overall IIP (Index of Industrial Production) stood at 145.6. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 125.1, 147.1 and 219.3, respectively.

- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.49% (Provisional) for September 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crores (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crores (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakhs metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

### **Some Key Government initiatives:**

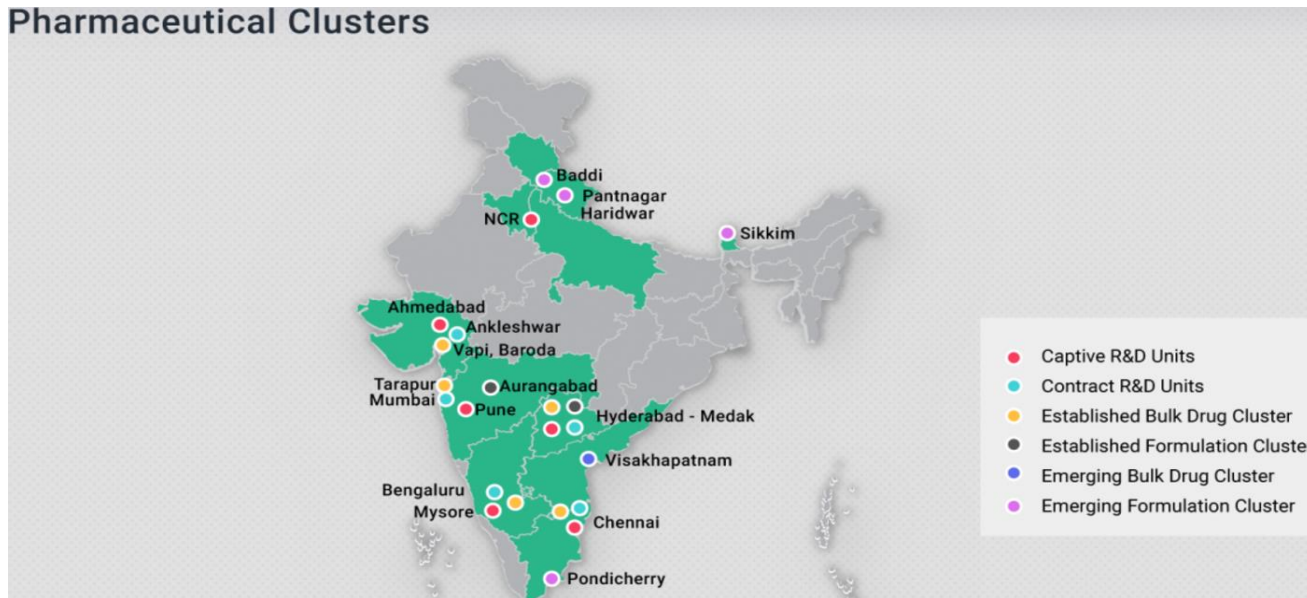
Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the 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, is 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:

- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crores (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crores (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Aatmanirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crores (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry, and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).

## INTRODUCTION

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. Turnover for 2023-24 reached INR 4,17,345 Crore. 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 highest number of pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

## Pharmaceutical Clusters



(Source: <https://www.investindia.gov.in/sector/pharmaceuticals> )

### Strength of Indian Pharmaceutical Industry:

- Low Production cost.
- Low R&D cost.
- Skilled workforce as well as high managerial and technical competence.
- Huge clinical trial opportunity due to diversity in population.
- Highest number of USFDA complaint plants outside US.
- Medical Tourism.
- Excellent infrastructure and technologies in laboratories for process development.
- Significant Biologics capabilities with an eye for future.
- Innovation and competitiveness.
- Several Government policies aligned for growth in the Pharma industry like PLI (Production Linked Incentive Scheme), PLI for domestic manufacturing of medical devices, Jan Aushadhi Scheme, etc.
- 100% FDI through automatic route for Greenfield projects and 75% for brownfield projects allowed.

## MARKET SIZE

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, ~US\$ 130 billion by 2030 and US\$ 450 billion market by 2047. 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.

Indian hospital market valued at US\$ 98.98 billion in FY23 and projected to grow by 8% CAGR and reached to US\$ 193.59 billion by FY32.

India is among the top 12 destinations for biotechnology worldwide and 3<sup>rd</sup> largest destination for biotechnology in Asia Pacific. The country holds 3-5% of the global biotechnology industry pie. In 2022, India's bioeconomy was valued at US\$ 137 billion, and aims to achieve US\$ 300 billion mark by 2030.

During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

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 3<sup>rd</sup> 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%. The government has set ambitious target to boost the medical devices industry in India, aiming to elevate it from its current US\$ 11 billion valuations to US\$ 50 billion by 2030.

The domestic pharmaceutical sector expects sales to grow 8-10% in the financial year 2023-24, indicated an analysis done by CRISIL, a global analytical research and rating agency.

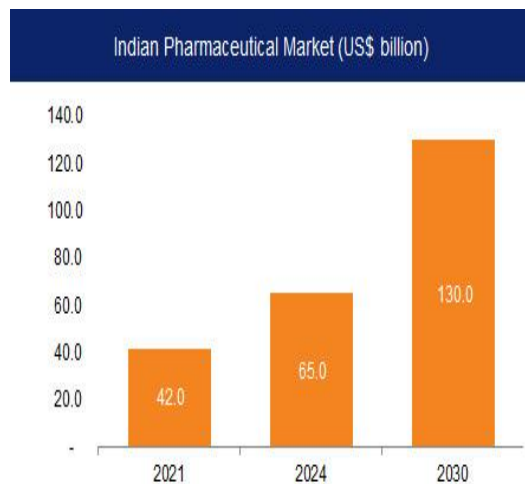
Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India.

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. The Indian pharmaceuticals industry is expected to grow 9-11% in the financial year 2024, as per ICRA. Cumulative FDI in Drugs and pharmaceutical industry is US\$ 22.52 Billion up to Mar 2024.

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 FY23, the Indian pharma market saw a year-on-year growth of nearly 5%, reaching US\$ 49.78 billion. During FY18 to FY23, the Indian pharmaceutical industry logged a compound annual growth rate (CAGR) of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market.

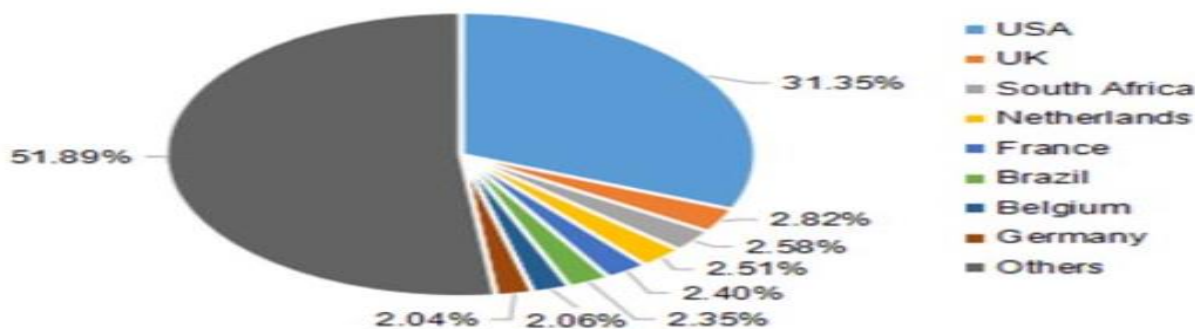
## PHARMACEUTICAL PRODUCT EXPORTS

Indian pharmaceutical industry has a strong presence at the global level. "Pharmacy of the world" as it is often called offers around 60,000 generic brands across 60 therapeutic categories, accounting for 20 per cent of global generic drug exports by volume. Not surprisingly, eight of the top 20 global generic companies are based in India.



India's pharmaceutical sector boasts high rates of quality compliance, with 70311 US FDA approved facilities (as of April 2023), 38612 European GMP-compliant plants (as of November 2022) and 241813 WHO-GMP-approved plants. To further bolster the regulatory framework, in December 2023, revised pharma manufacturing rules were notified under Schedule-M relating to Good Manufacturing Practices, a mandatory requirement that safeguards quality and brings the existing regime in line with global standards.

**India's country-wise share of drugs, pharmaceutical and fine-chemicals exports (2023-24)**

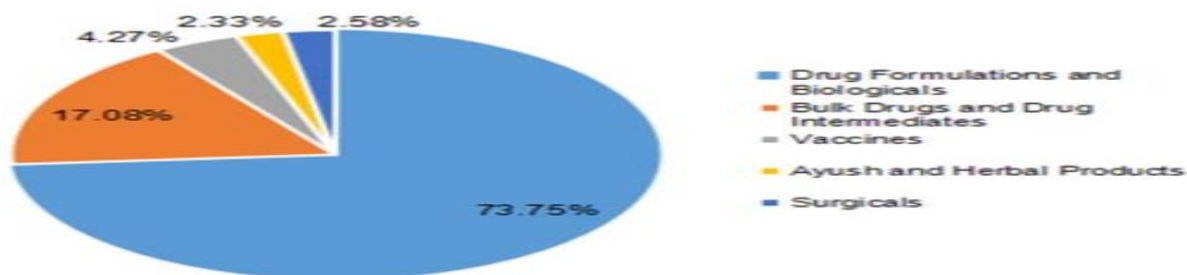


Source: DGCI&S, Pharmaceuticals Export Promotion Council

The USA, UK, and South Africa were among the largest importers from India at a share of 31.35%, 2.82%, and 2.58%, respectively during 2023-24. India's exports of pharma products to these countries in FY24 were USA with US\$ 8.73 billion, UK with US\$ 784.32 million, South Africa with US\$ 718.54 million, the Netherland with US\$ 699.16 million, and France with US\$ 667.49 million.

Indian pharmaceutical sector serves over 200+ countries including highly regulated markets of the USA, West Europe, Japan, and Australia and supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK, 50% of Africa's generic demand. India accounts for 60% of global vaccine demand and is a leading player of BCG, DPT and Measles. India supplied around 45 tonnes and 400 million tablets of hydroxychloroquine to around 114 countries globally.

**India's category-wise export share (2023-24)**



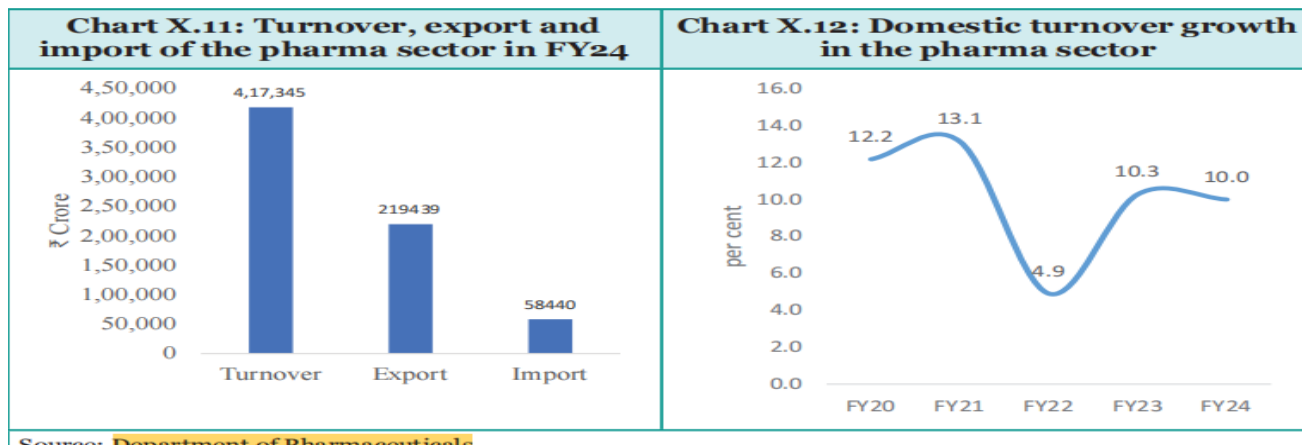
Source: Pharmaceuticals Export Promotion Council

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.

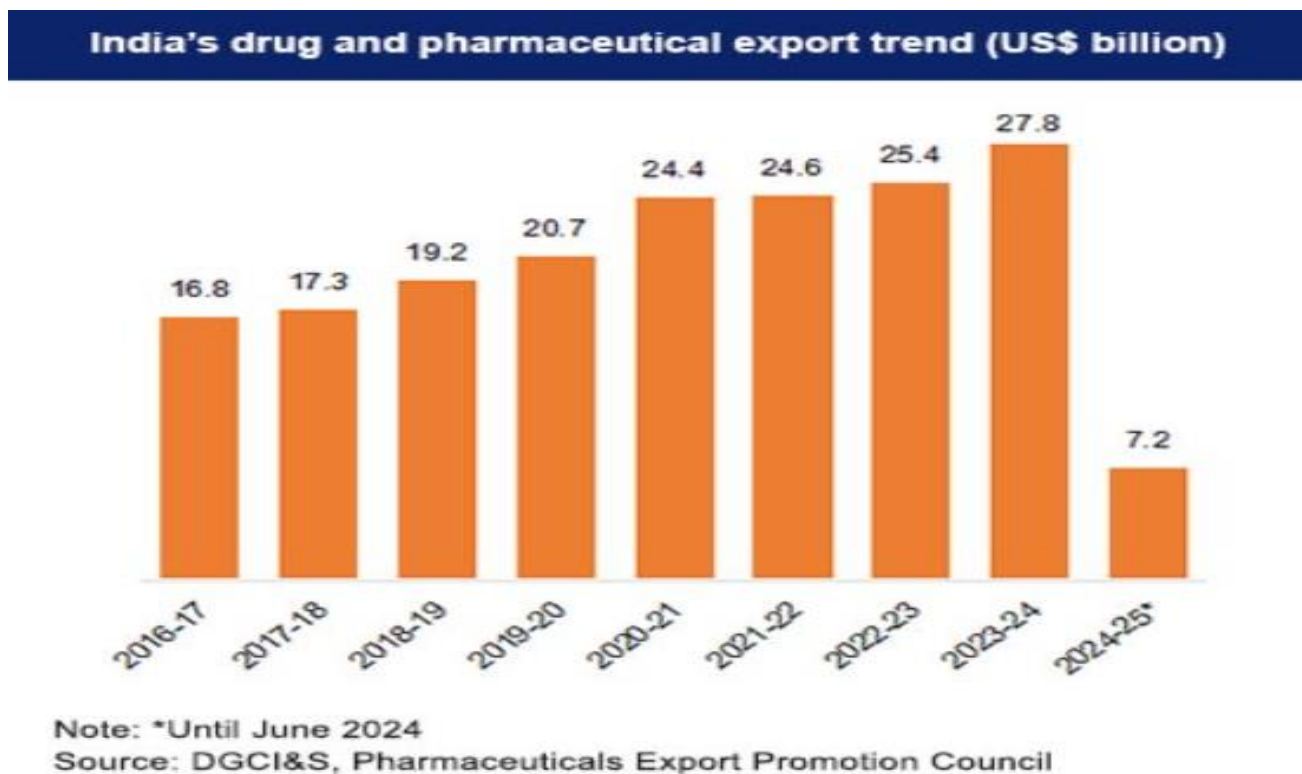
According to a recent EY FICCI report, there has been a growing consensus over providing new innovative therapies to patients. Indian pharmaceutical market is estimated to touch US\$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products was estimated to cross over the US\$ 1 trillion mark in 2023. Exports of Drugs & Pharmaceuticals increased by 7.36% to US\$ 2.43 billion in April 2024 from US\$ 2.26 billion in April 2023.



Exports of drugs and pharmaceuticals recorded a strong y-o-y growth of 9.7% during April-March FY24. India’s drugs and pharmaceuticals exports stood at US\$ 27.82 billion in FY24 (April-March).

Exports of Drugs & Pharmaceuticals were estimated to be at US\$ 2.13 billion in January 2024, accounting for 5.8% of the total exports in 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\$ 25.36 billion in FY23, US\$ 24.60 billion in FY22 and US\$ 24.44 billion in FY21.



## MARKETS AND FUTURE SCOPE FOR EXPORTS OF GENERIC MEDICINES IN AFRICA

The African continent, with its diverse population and unique healthcare challenges, has become an increasingly important market for Indian generic medicines. As the demand for affordable, quality pharmaceuticals grows, Indian manufacturers are stepping up to meet the needs of African countries grappling with both communicable and non-communicable diseases. This article explores the current high demand for Indian generic medicines in Africa, highlights key categories of medicines, and provides examples that illustrate their significance in the healthcare landscape.

### 2. The African Healthcare Landscape

Africa is home to over 1.3 billion people, and despite advancements in healthcare, the continent continues to face significant public health challenges. High rates of infectious diseases such as HIV/AIDS, tuberculosis, and malaria coexist with a rising burden of non-communicable diseases (NCDs) like diabetes and hypertension. According to the World Health Organization (WHO), many African countries struggle with limited healthcare budgets, leading to high out-of-pocket expenses for patients. This context underscores the critical need for affordable and accessible medicines.

Indian generic medicines are increasingly seen as a solution to these challenges. With a reputation for quality and cost-effectiveness, Indian pharmaceuticals are becoming the go-to choice for healthcare providers and patients across Africa.

### 3. Key Drivers of Demand for Indian Generic Medicines

Several factors contribute to the burgeoning demand for Indian generic medicines in the African market:

1. **Affordability:** Generic medicines are typically priced 30-80% lower than their branded counterparts. This affordability makes them accessible to a larger segment of the population, especially in low- and middle-income countries where healthcare budgets are constrained.
2. **Quality and Compliance:** Indian pharmaceutical companies adhere to stringent international quality standards, including those set by the WHO and the US FDA. This commitment to quality assurance ensures that Indian generics are not only affordable but also effective and safe for patients.
3. **Diverse Product Range:** The wide array of generic medicines available from Indian manufacturers caters to various health conditions, addressing the specific needs of African healthcare systems.
4. **Strategic Partnerships:** Collaborations between Indian pharmaceutical companies and local distributors enhance market access and ensure that medicines reach those who need them most.
5. **Government Initiatives:** Many African governments are prioritizing the procurement of generic medicines to enhance access to essential drugs, further propelling demand for Indian products.

### 4. Categories of Indian Generic Medicines in High Demand

#### 1. Antiretroviral Drugs (ARVs)

Example: Lamivudine/Zidovudine (Combivir) HIV/AIDS remains a significant public health challenge in Africa, with millions of people living with the virus. Indian pharmaceutical companies play a vital role in providing affordable ARVs, which are crucial for managing HIV. Drugs like Lamivudine/Zidovudine (Combivir) are commonly used in antiretroviral therapy (ART) regimens, enabling patients to lead healthier lives. The accessibility of these generics helps reduce transmission rates and improve the quality of life for those affected.

#### 2. Anti-Tuberculosis Medications

Example: Rifampicin/Isoniazid (Rifinah) Tuberculosis (TB) is another critical public health issue in Africa. The availability of effective and affordable anti-TB medications, such as Rifampicin/Isoniazid (Rifinah), has been instrumental in national TB control programs. Indian manufacturers supply these essential medicines, contributing to the global fight against TB and helping countries achieve their health targets.

#### 3. Malaria Treatments

Example: Artemisinin-based Combination Therapies (ACTs) Malaria remains a leading cause of morbidity and mortality in many African nations. Indian pharmaceutical companies provide affordable Artemisinin-based Combination Therapies (ACTs), which are considered the standard treatment for uncomplicated malaria. By ensuring the availability of these lifesaving drugs, Indian generics play a crucial role in reducing the malaria burden.



#### 4. Diabetes Medications

Example: (Metformin) With the rise of non-communicable diseases, diabetes is becoming a growing concern in Africa. Medications like Metformin, a first-line treatment for type 2 diabetes, are widely produced by Indian manufacturers. The affordability and accessibility of these generics enable more patients to manage their condition effectively, reducing the risk of complications associated with uncontrolled diabetes.

#### 5. Cardiovascular Drugs

Example: Amlodipine Cardiovascular diseases are on the rise in Africa, driven by lifestyle changes and increased prevalence of risk factors. Amlodipine, a common medication used to treat hypertension and angina, is widely available as a generic from Indian pharmaceutical companies. The affordability of such drugs is vital for improving cardiovascular health and reducing mortality rates related to heart diseases.

#### 6. Antibiotics

Example: Amoxicillin The rise of antibiotic-resistant infections is a growing concern in Africa. However, the availability of effective antibiotics like Amoxicillin as generics from Indian manufacturers ensures that healthcare providers have access to essential treatment options. The affordability of these medications can help curb the spread of infections and improve health outcomes.

#### 7. Pain Management and Anti-inflammatory Drugs

Example: Diclofenac Chronic pain and inflammatory conditions are prevalent in Africa, necessitating effective pain management solutions. Generic medications like Diclofenac provide affordable options for patients suffering from various pain conditions, enhancing their quality of life.

### 5. Challenges in the Market

While the demand for Indian generic medicines in Africa is on the rise, several challenges remain:

1. **Regulatory Barriers:** Different countries have varying regulatory frameworks, which can complicate the entry of Indian pharmaceutical companies into the market. Understanding local regulations is crucial for ensuring compliance and expediting product availability.
2. **Logistical Issues:** Distributing medicines across the vast and diverse African continent presents logistical challenges, including inadequate infrastructure and varying access to transportation.
3. **Market Competition:** While Indian generics are well-established, competition from local manufacturers and other international players is intensifying. Indian companies must continuously innovate and adapt to maintain their competitive edge.
4. **Public Awareness:** Increasing awareness among healthcare professionals and patients regarding the efficacy and safety of generic medicines is essential. Educational campaigns can help dispel misconceptions and promote the use of generics.

### 6. Future Prospects

The future of Indian generic medicines in the African market appears bright. As healthcare systems across the continent strive to improve access to essential medicines, Indian pharmaceutical companies are well-positioned to expand their presence.

### 7. Strategies for Expansion

To maximize their impact, Indian pharmaceutical companies can consider the following strategies:

1. **Local Manufacturing:** Investing in local manufacturing facilities can help overcome logistical challenges and reduce costs. This approach can also create jobs and stimulate economic growth in the host countries.
2. **Tailored Solutions:** Developing medications that address specific health challenges faced by African populations can enhance acceptance and uptake. This may include combination therapies or formulations that cater to prevalent diseases.
3. **Leveraging Technology:** Embracing digital health solutions, including telemedicine and e-pharmacy, can facilitate better access to medications and connect patients with healthcare providers.
4. **Strengthening Partnerships:** Collaborating with local governments, NGOs, and healthcare providers can enhance market access and ensure that medications reach those in need.

### 8. Conclusion

The high demand for Indian generic medicines in the African market underscores the critical role that these products play in improving health outcomes across the continent. By addressing affordability and accessibility, Indian pharmaceuticals are not only meeting the needs of healthcare systems but also contributing to a healthier future for millions of people.

In the future, continued collaboration between Indian manufacturers and African healthcare stakeholders will be essential. Together, we can ensure that quality, affordable medicines are available to all, ultimately enhancing health equity and saving lives across Africa. The partnership between India and Africa in the pharmaceutical sector is a testament to the potential of generics to transform healthcare and foster a healthier, more equitable world.

## **INVESTMENTS AND SOME RECENT DEVELOPMENTS IN INDIAN PHARMACEUTICAL INDUSTRY**

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

In this regard the sector has seen a lot of investments and developments in the recent past. As of 30th June 2024, a total of 2,127 entities as start-ups in the pharmaceutical sector.

Sanofi plans to invest around US\$ 435 million over the next six years to expand its global capability centre (GCC) in Hyderabad, India by increasing the headcount and further developing the facility.

24 M&A deals announced in Q1 2024, worth a total value of US\$ 456.3 million.

In March 2024, 27 greenfield bulk drug park projects and 13 greenfield manufacturing plants for medical devices were inaugurated.

- Cipla received approval from the Central Drugs Standard Control Organization (CDSCO) to market the novel antibiotic plazomicin in India for the treatment of complicated urinary tract infections (cUTI) affecting approximately 150 million patients each year.
- For the period 2020-21 to 2027-28, 26 Applicants for manufacturing of Medical Devices have been approved for 138 products under the PLI scheme with total financial outlay of US\$ 411.01 million (Rs.3,420 crores).
- 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\$ 22.52 billion during the period April 2000-March 2024.
- In November 2023, Lupin Ltd. unveiled the world's first fixed-dose triple combination drug for managing chronic obstructive pulmonary disease (COPD).
- In October 2023, Glenmark Pharmaceuticals introduced Zita, a cost-effective triple combination drug for Type 2 diabetes treatment, enhancing glycaemic control in diabetic patients.
- In August 2023, Union Minister for Labour & Employment and Environment, Forest and Climate Change Mr. Bhupender Yadav launched Chemotherapy Services in 30 ESIC Hospitals across the country.
- An MoU was signed on June 4, 2023, between the Indian Pharmacopoeia Commission (IPC), Ministry of Health & Family Welfare, Government of India and Ministry of Health, Government of Suriname for Recognition of Indian Pharmacopoeia (IP) in Suriname.
- In May 2023, the Ministry of Minority Affairs and the Ministry of Ayush joined hands to advance the Unani System of Medicine in India.
- Prime Minister Mr. Narendra Modi during his Independence Day 2023 speech said that the government has plans to increase the number of 'Jan Aushadhi Kendras' from 10,000 to 25,000.
- The Department of Pharmaceuticals will soon launch the Scheme for the Promotion of Research and Innovation in Pharma (PRIP) MedTech Sector. The scheme has been approved by the Union Cabinet for a period of five years starting from 2023-24 to 2027-28 with a total outlay of Rs. 5,000 crore (US\$ 604.5 million).
- 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 anaemia.

- 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 launched its new ocular aesthetic range

## GOVERNMENT INITIATIVES

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

- In the Interim Budget 2024-25:
  - The government earmarked Rs. 1,000 crore (US\$ 120 million) for the promotion of bulk drug parks for FY25, a significant increase from the previous year.
  - The total outlay for the development of the pharmaceutical industry for FY25 was increased to Rs. 1,300 crore (US\$ 156.5 million) while the budget for the promotion of medical device parks was raised to Rs. 150 crore (US\$ 18 million) for FY25.
  - The allocation for assistance to medical device clusters for common facilities (AMD-CF) was pegged at Rs. 40 crore (US\$ 4.1 million) for FY25.
  - The outlay for the Jan Aushadhi scheme, the initiative to provide affordable generic medicines in the country, was hiked to Rs. 284.5 crore (US\$ 34 million) for FY25, up from Rs. 110 crore (US\$ 13 million) in the revised estimate for FY24.
- As per the Union Budget 2023-24:
  - A mission to eliminate sickle cell anaemia 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.
  - 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.
- 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)*:
  - 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.
  - 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.
- During the pilot, digital sandbox was created in which more than 774 partner solutions are undergoing integration. As of September 4, 2023, 450,164,619 Ayushman Bharat Health Accounts have been created and 224,967 doctors and 218,602 health facilities have been registered in ABDM.
- Scheme for Development of Pharma industry – Umbrella Scheme:
  - The Department of Pharmaceuticals has prepared an Umbrella Scheme namely ‘Scheme for Development of Pharma industry.’ Which comprises of the following sub schemes:

- Assistance to Bulk Drug Industry for Common Facilitation Centres
  - Assistance to Medical Device Industry for Common Facilitation Centres
  - Assistance to Pharmaceutical Industry (CDP-PS)
  - Pharmaceutical Promotion and Development Scheme (PPDS)
  - Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)
- As per the Union Budget 2022-23:
    - i. 3,201 crore (US\$ 419.2 million) has been set aside for research and Rs. 83,000 crore (US\$ 10.86 billion) has been allocated for the Ministry of Health and Family Welfare.
    - ii. 37,000 crore (US\$ 4.83 billion) has been allocated to the 'National Health Mission'.
    - iii. 10,000 crore (US\$ 1.28 billion) has been allocated to Pradhan Mantri Swasthya Suraksha Yojana.
    - iv. The Ministry of AYUSH has been allocated Rs. 3,050 crore (US\$ 399.4 million), up from Rs. 2,970 crore (US\$ 389 million).
  - In March 2022, under the Strengthening of Pharmaceutical Industry (SPI) Scheme, a total financial outlay of Rs. 500 crore (US\$ 665.5 million) for the period FY22 to FY26 were announced.
  - India could restart deliveries of COVID-19 shots to global vaccine-sharing platform COVAX in November-December 2021 for the first time since April 2021. The World Health Organization (WHO), which co-leads COVAX, has been pushing India to resume supplies for the programme, particularly after it sent ~4 million doses to neighbours and allies in October 2021.
  - In November 2021, PM Mr. Narendra Modi inaugurated the first Global Innovation Summit of the pharmaceuticals sector. The summit will have 12 sessions and over 40 national and international speakers deliberating on a range of subjects including regulatory environment, funding for innovation, industry-academia collaboration, and innovation infrastructure.
  - In August 2021, Union Health Minister, Mr. Mansukh Mandaviya announced that an additional number of pharmaceutical companies in India are expected to commence manufacturing of anti-coronavirus vaccines by October-November 2021. This move is expected to further boost the vaccination drive across the country.
  - In June 2021, Finance Minister Ms. Nirmala Sitharaman announced an additional outlay of Rs. 1,97,000 crore (US\$ 26,578.3 million) that will be utilised over five years for the pharmaceutical PLI scheme in 13 key sectors such as active pharmaceutical ingredients, drug intermediaries and key starting materials.
  - To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.
  - In May 2021, under Atmanirbhar Bharat 3.0, the Government of India announced Mission COVID Suraksha to accelerate development and production of indigenous COVID vaccines. To augment the capacity of indigenous production of Covaxin under the mission, the Department of Biotechnology, Government of India, provided financial support in the form of a grant to vaccine manufacturing facilities for enhanced production capacities, which is expected to reach >10 crore doses per month by September 2021.

## 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 912% 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 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.  
**References:** Consolidated FDI Policy, Press Information Bureau (PIB), Media Reports, Pharmaceuticals Export Promotion Council, AIOCD-AWACS, IQVIA, Union Budget 2023-24, Interim Budget 2024-25

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

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## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year. In this section, a reference to the "Company" or "we", "us" or "our" means Asston Pharmaceuticals Private Limited.*

*All financial information included herein is based on our "Financial information of the Company" included on page 207 of this Draft Red Herring Prospectus.*

### OVERVIEW

Our Company is engaged in the manufacturing and export of both pharmaceutical formulations and nutraceutical products in domestic and various African markets. Our Company operates under brand "Asston". Presently, our Company is involved in the business of manufacturing and marketing of Tablets, Capsules, Oral Liquid, External Preparations (Ointment, Cream, Gel and Lotion) and Oral Powder (Sachet, Dry Syrup) etc. Apart from manufacturing products for direct sales, our Company also manufactures various pharmaceutical products for different marketers on loan license or on contract manufacturing basis. Our business is primarily conducted on a principle-to-principle basis with various marketers.

As on the date, we cater to multiple corporate clients on loan licence and/or contract manufacturing basis. Currently, our Company has its production facility at Ambernath, Maharashtra, for producing generic medicines in the tablet form and nutraceutical medicines in the tablet form, syrup and sachet form. We have a dedicated and separate floors for pharmaceutical products and nutraceutical products respectively as the norms and standards are different for both of them and are governed by FDA and FSSAI respectively. Since the FDA norms for pharmaceutical products are much more stringent, to comply with FDA standards separate guidelines are there to be followed. Facility has total production capacity of up to around 8-9 crore tablets per month. Our Company produces an average of 5-6 crore tablets per month, with production capacity varying based on the weight of the medicines. Higher-weight medicines result in lower production quantities and vice versa. The syrup production capacity for nutraceuticals is approximately 37.5 kiloliters per month, while sachet production capacity ranges from 30 to 40 lakh sachets per month, depending on the powder weight per sachet. The facility is certified by relevant authorities and undergoes periodic audits by state and central FDA authorities. It includes a QA/QC unit and a warehouse for storing raw materials and finished goods in designated chambers under controlled conditions. Our Company engages contract manufacturers to produce generic medicines and antibiotics in various forms, including tablets, sachets, syrups, and capsules. All contract manufacturers are WHO-GMP certified to ensure their facilities and processes comply with applicable standards and industry norms.

We also have our own set up of regulatory department for our formulation development and have tie-ups with 2 NABL accredited laboratories, ensuring adherence to industry standards from production to export. From manufacturing to exports and distributions, our Company takes responsibility and oversees each phase of the supply chain.

Our Company is FDA certified by both the Central and State FDA, accredited by NQA (Nuclear Quality Assurance), and complies with the Quality Management System (QMS) standards. For further details, please refer to the section titled "Government and Other Approvals" on page 226 of this Draft Red Herring Prospectus. We are committed to maintaining compliance with health, safety, and quality standards.

Currently, we hold over 150 registered trademarks for our pharmaceutical formulations. Our primary products include capsules, syrups, sachets, and injectables (LVP and SVP), which are sold globally, with pharmacies as our main customers. We offer a broad range of products, including generic medicines, pediatric drugs, New to the Basket (NTTB) treatments, and eye drops. We ensure the highest quality standards at every stage of manufacturing through stringent checks to meet both domestic and international regulatory requirements. Our products are distributed in various global markets, such as South Africa and the West African region.

We provide formulation knowledge to contract manufacturers for the production of syrups, tablets, and injectables. We have entered into five-year agreements with five WHO-GMP-certified contract manufacturers. One of the them manufactures antibiotics, while the other entities produce generic medicines. We are in the process of executing a loan license agreement with a contract manufacturer based in Gujarat to reduce reliance on existing manufacturers and enhance capacity for ointment production. Currently, only one is engaged in the production of ointments.

We supply raw materials (API and excipients) and packaging materials to various contract manufacturers who produce finished goods for us. Additionally, we procure finished goods from another supplier. All of these manufacturing facilities are equipped with warehouse facilities to support production by storing raw materials and finished products under controlled and optimal conditions. This adjacent warehouse facility eradicates transportation hassles and cost overhead and smoothens the overall production process. Additionally, we have an in-house regulatory department that handles formulation development and quality control. We also maintain agreements with FDA-accredited laboratories for product quality assessments of the finished goods. Our operations are classified under orange and green zones, signifying adherence to environmental regulations in manufacturing and operations. Additionally, our in-house Quality Assurance/Quality Control (QA/QC) team ensures that our products meet established quality standards and supports formulation development and regulatory compliance across our product range. Our regulatory department prepares and manages product dossiers in line with guidelines from various global regulatory authorities, facilitating the smooth export and market entry of our products into international markets.

Our Company operates in supplying pharmaceutical products directly to distributors and pharmacies and we intend to deliver quality products on low-cost formulations at affordable pricing for price-sensitive markets. Since inception in 2019, our Company has engaged in trade across more than 10 countries, ensuring the provision of products at competitive pricing. Our Company's operations are supported by experienced founders with expertise in managing supply chains and maintaining product quality.

Our Company was incorporated on 16<sup>th</sup> April 2019 as Asston Pharmaceutical Pvt. Limited to contract produce pharmaceutical products for export market. Later on 1<sup>st</sup> April 2024, our Company acquired Ferron Lifecare Private Limited, specializing into nutraceuticals business and produced nutraceutical products at their Ambarnath facility. Ferron Lifecare Private Limited, incorporated on 30<sup>th</sup> January 2020 was promoted by Dr. Ashish Sakalkar and Mr. Sachin Badakh. Finally, "Asston Pharmaceuticals Private Limited" was converted from a private limited into a public limited company in the name of "Asston Pharmaceuticals Limited" on 29<sup>th</sup> August 2024 and received FDA approval for our Ambarnath facility on 2<sup>nd</sup> December 2024 to produce pharmaceutical products.

Our Company has experienced significant growth, with a current strength of over 50 team members and growing. The team operates under the leadership of the promoters, Dr. Ashish Sakalkar, Mrs. Saili More and Mr. Sachin Badakh, who possesses an expertise in formulations, market operations, and exports of healthcare product in the pharmaceutical industry. For further information on the promoters, refer to the chapter titled "*Our Promoters and Promoter Group*" on page 200 of this Draft Red Herring Prospectus.

**OUR REVENUE MODEL**

Our Company generates revenue through two market segments i.e. Export Sales, Sales on Contract Manufacturing/Loan License and Domestic Sales. Each market segment has unique risk exposures that could impact the Company's business operations and financial performance.

**Export Sales:** We develop and manufacture pharmaceutical products across various therapeutic areas for the Emerging Markets through our WHO-GMP approved manufacturing facility at Ambarnath (Thane), Maharashtra. Our Ambarnath Facility caters to countries in the various African markets that includes Sierra Leone, Mali, Liberia, Ghana etc. We marketed our products in many countries in Africa Market and have obtained product registrations for 147 products and have filed product registrations for 10 products in combodia. Our Ambarnath Facility has received approvals from the regulatory bodies of Sierra Leone and Ghana countries. We have a diverse portfolio of registered products across various forms. These include 65 brands of tablets, 3 brands of sachets, 29 brands of syrups/suspensions, 22 brands of capsules, 6 brands of ophthalmic preparations and 2 brands of creams.

**Sales on Contract Manufacturing/Loan License through Merchant Exporter:** Under the contract manufacturing or loan licence market segment, our Company sells its products to a Merchant Exporter, who in turn sells it onwards. This type of arrangement increases our dependency on the Merchant Exporters. Since we generally do not have exclusive contracts with these Merchant Exporters, these Merchant Exporters may choose to source the products from any other pharmaceutical manufacturing company, which may be providing better margins on its products, Further, there may be restrictive clauses in our agreements with our Merchant Exporters, owing to which we may not be in a position to directly sell our products to the countries where the sales are done through Merchant Exporter. Additionally, any changes in government policies or GST regulations affecting Merchant Exporters could indirectly impact revenue from this market segment.




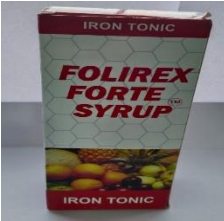

**Domestic Sales:** Sales within the domestic market are influenced by local economic conditions, consumer demand, and competitive pressures. A prolonged reduction in domestic demand could challenge the company's ability to maintain stable revenue from this market segment.




Details of few of our products are as stated below:

Tablets	Capsules	Oral Suspension and Syrup and Creams
<b>Pharmaceutical Products</b>		
<b>Albendazole USP 400 mg</b>	<b>Diclofenac 100 mg</b>	<b>Ibuprofen, paracetamol</b>

Tablets	Capsules	Oral Suspension and Syrup and Creams
 <p><b>Albendazole USP 400 mg</b> refers to a higher dosage of <b>Albendazole</b>, a broad-spectrum anthelmintic (anti-worm) medication that is used to treat various parasitic worm infection</p>	 <p><b>Diclofenac 100 mg</b> refers to a specific dosage of <b>Diclofenac</b>, a widely used nonsteroidal anti-inflammatory drug (NSAID).</p>	 <p><b>Ibuprofen and Paracetamol (Acetaminophen)</b> are two commonly used over-the-counter medications, often used to relieve pain and reduce fever</p>
<p><b>KJFEN-50</b></p>  <p>Diclofenac Potassium Tablet 50 mg</p> <p>To treat mild to moderate pain, helps to relieve symptoms of arthritis (eg: osteoarthritis or rheumatoid arthritis) such as inflammation, swelling, stiffness and joint pain</p>	<p><b>Solocam</b></p>  <p>(Piroxicam Capsules BP 20 mg)</p> <p>It is used to relieve pain, tenderness, swelling, and stiffness caused by osteoarthritis (arthritis caused by a breakdown of the lining of the joints) and rheumatoid arthritis (arthritis caused by swelling of the lining of the joints)</p>	<p><b>Ferrovit Syrup</b></p>  <p>Supplement</p> <p>To treat vitamin and mineral deficiencies.</p>
<p><b>Mebenex</b></p>  <p>(Mebendazole Usp 500 mg )</p> <p>Effective against common intestinal worms such as roundworms, hookworms, whipworms, and pinworms.</p>	<p><b>Omeprazole Capsules</b></p>  <p>Omeprazole Capsules BP 20 mg</p> <p>To Treat Acidity &amp; Indigestion</p>	<p><b>Asstofer</b></p>  <p>(Ferrous Sulphate 125 mg/ml)</p> <p>To treat vitamin and mineral deficiencies.</p>



Tablets	Capsules	Oral Suspension and Syrup and Creams
<p data-bbox="248 170 360 197"><b>Recomax</b></p>  <p data-bbox="121 528 488 589">(Paracetamol ,Diclofenac Sodium &amp; Caffiene)</p> <p data-bbox="129 618 480 678">To treat toothache, muscle pain, fever &amp; rheumatic pain</p>	<p data-bbox="659 136 770 163"><b>Capsules</b></p> <p data-bbox="659 170 770 197"><b>All Cold</b></p>  <p data-bbox="544 477 879 537">(C P Maleate &amp; Phenylephrine Hcl Capsule)</p> <p data-bbox="520 566 903 627">Decongestant : To Treat Common Cold &amp; Allergy</p>	<p data-bbox="975 136 1437 163"><b>Oral Suspension and Syrup and Creams</b></p> <p data-bbox="1134 170 1278 197"><b>Gripe Water</b></p>  <p data-bbox="1142 544 1270 571">Supplement</p> <p data-bbox="927 600 1342 627">To treat a variety of ailments in babies</p>
<p data-bbox="264 730 344 757"><b>Ovcyst</b></p>  <p data-bbox="240 1025 368 1052">Supplement</p> <p data-bbox="153 1081 456 1108">To treat Hormonal Balance</p>	<p data-bbox="632 730 791 757"><b>Medart Forte</b></p>  <p data-bbox="560 1093 863 1153">(Artemether &amp; lumefentrine Tablets)</p> <p data-bbox="520 1182 903 1243">To treat certain kinds of malaria infections</p>	<p data-bbox="1094 730 1318 757"><b>Folirex Forte Syrup</b></p>  <p data-bbox="1150 1037 1262 1064">Iron Tonic</p> <p data-bbox="927 1093 1485 1153">Diagnosis or treatment of folic acid deficiency, iron deficiency anemia, anemia.</p>
<p data-bbox="233 1290 376 1317"><b>Max- Relief</b></p>  <p data-bbox="113 1608 496 1668">(Diclofenac Potassium Tablets USP 50 mg)</p> <p data-bbox="105 1697 504 1883">To treat mild-to-moderate pain, and helps to relieve symptoms of arthritis (eg, osteoarthritis or rheumatoid arthritis), such as inflammation, swelling, stiffness, and joint pain.</p>	<p data-bbox="624 1290 799 1317"><b>Ampicloxa 500</b></p>  <p data-bbox="568 1630 855 1691">(Ampicillin &amp; Cloxacillin Capsule)</p> <p data-bbox="520 1720 903 1816">To treat bacterial infections of the ear, nose, throat, bones, lungs, and post-operative wound infections</p>	<p data-bbox="1015 1290 1406 1317"><b>Clotrimazole Cream USP 1 % w/v</b></p>  <p data-bbox="1150 1664 1270 1691">Antifungal</p> <p data-bbox="927 1720 1382 1747">To treat a variety of fungal skin infections</p>
<b>Nutraceutical products</b>		

Tablets	Capsules	Oral Suspension and Syrup and Creams
<p><b>B-complex tablets</b></p>  <p><b>B Complex Tablets</b> are a popular form of dietary supplements that contain a combination of essential <b>B vitamins</b>, which are crucial for maintaining overall health</p>	<p><b>Singatone Forte</b></p>  <p>(Cyproheptadine with B-complex Capsules)</p> <p>To treat vitamin and mineral deficiencies.</p>	<p><b>B-complex syrup</b></p>  <p><b>B Complex Syrup</b> is a liquid dietary supplement that contains a combination of essential <b>B vitamins</b>. These vitamins play key roles in the body's metabolism</p>

**Our Order Book as on 30<sup>th</sup> November 2024 is USD 2,23,000.**

Details as stated below:

Order ID	Customer Name	Product	Quantity Ordered	Total Value	Order Status	Payment Status	Expected Delivery Date	Shipping Address
PO NO.: DEANS/24-25/014 Dated 05/11/2024	Customer 1	1. Omeprazole capsules BP 20 MG 2. Electrolyte Powder 27.9 gm	1,000 No. of shippers	51,000 USD CIF	In process	Against scan BL COPY	February 2025	SIERRA LEONE
PO NO.: DEANS/24-25/014 Dated 21/11/2024	Customer 2	1. Paracetamol tablet 500 mg 2. Cobramax Tablet 100 mg 3. Paracetamol Oral Suspension BP 125 mg 4. Amodiaquine Suspension 100 ml	900 No. of shippers	63,000 USD CIF	In Process	Against scan BL Copy	January 2025	SIERRA LEONE
PO NO.: ANPPHARMA/24-25/44 Dated 09/11/2024	Customer 3	1. Albendazole Tablets USP 400 mg 2. Recomax Capsule 3. Routine Set Vitamin Syrup 100 ml 4. Electrolyte Powder 27.9 gm	1,100 No. of shippers	54,000 USD CIF	In process	Against scan BL Copy	February 2025	SIERRA LEONE
PO NO. ; STE/24-25/06 Dated 21/11/2024	Customer 4	1. Omeprazole capsules BP 20 MG	620 No. of shippers	55,000 USD CIF	In process	Against scan BL Copy	February 2025	MALI

Order ID	Customer Name	Product	Quantity Ordered	Total Value	Order Status	Payment Status	Expected Delivery Date	Shipping Address
		2.Diclopara Forte 550 3. Fast Appetite Tablet 4.Dexamethasone Tablets BP 0.5 MG						

## OUR COMPETITIVE STRENGTHS

### ***Formulation Expertise:***

We believe formulation is key in the pharmaceutical industry and ability to formulate is what decides the outcome for the company. Our Company has established huge foundation in formulation development across diverse range of therapeutic categories. Our Company has an in-house QA/QC facility that works towards enhancing the formulations. This expertise has helped our company to establish as a reliable and a partner of choice in the exports market.

### ***Experienced Promoters:***

Our Promoters have extensive knowledge in formulations and in export markets of pharma products. Our promoters bring around 3 (three) decades of expertise on the table and have been very pivotal in making and building the brand “Asston” and penetrating this brand into various geographies globally. Their deep knowledge and know-how of the regulatory requirements international markets, and manufacturing processes ensures that the company maintains high standards of operational efficiency and product quality.

### ***Wide range of Products:***

Our Company has product portfolio of over 100 registered trademarks including generic medicines, pediatric drugs, Anti TB (new to the basket) treatments and eye drops. Our Company produces tablets, capsules, syrups, sachets, and injectables, ensuring that it caters to a wide range of healthcare needs. We offer a diverse portfolio, including tablets, capsules and syrups. This gamut of products offerings with wide diversity allows our Company to address the varying demands of different markets and customers, thereby strengthening its position in the pharmaceutical industry as one stop shop for various requirements and a preferred partner of choice.

### ***Strategic Location:***

We have our registered office at Belapur, Navi Mumbai and our facility at Ambarnath. They are near to the upcoming airport at Ulwe. Also, it is near to major port like Jawaharlal Nehru Port and well connected with highways to other parts of India. Proximity to such a key logistical infrastructure, including major airports and seaports enables the company to manage exports efficiently, reducing lead times and optimizing supply chain operations. The ease of access to international transportation hubs is a crucial factor in the company’s success in managing exports to regions like Africa and Asia.

### ***Skilled Workforce:***

Our Company gives contract to WHO-GMP certified manufacturers to manufacture and focuses on outsourcing manufacturing to third-party facilities. But at each phase from manufacturing to export and distribution, we have our teams deployed who ensures that quality is met and established industry practices are followed. For this, we need workforce who have knowledge of these standards and are aware of industry standards and practices. We have skilled workforce and presently have a team of around 50 who looks after to ensure the products meets the desired established standards.

### ***Good relationship with contract manufacturers:***

We have tie-ups with four contract manufacturers. They are all WHO-GMP certified manufacturers. This ensures compliance for the industry standards and ensures the product meets all the established industry standards. Having time bound working tie-ups with such contract manufacturers is crucial for us as we do not have any manufacturing facility of our own and hence are dependent on them. Having such an industry standards complaint manufacturer is key for us. And we take pride that we have developed very good understanding and rapport with all the four manufactures. We are keen to augment this number further and are in talks to with a contract manufacturer based in Gujarat to onboard them.

### ***Quality Assurance:***

We strive for quality and we will continue to maintain quality of our existing services to cater to various customers in the market. Each of our products follow stringent quality check and our QA/ QC team thoroughly ensures that the products meets the relevant and established domestic and international standards guidelines.

***Good relationship with clients in the export market:***

We primarily contract manufacture our products and export predominantly to pharmacies there. With our quality backing and standard practices, knowledge of our promoters, we have established relationship with around 10 pharmacies globally to whom we regularly export our products. We export our products to regulated markets like the West Africa and South Africa. Our primary focus is on emerging markets in Africa and Asia.

***Competitive Pricing:***

Our company has expertise in formulations and we contract manufacture our medicines for our targeted customers in African region and Asian countries. Due to effective formulation and contract manufacturing strategies, we have been competitive enough vis-à-vis other players in the market. This pricing strategy gives us an extra edge over our competitors.

***Asset Light Model:***

Our Company has presently outsourced manufacturing of its requirements to the 4 (Four) contract manufacturers. Hence there is no need for heavy working capital or any maintenance capex or issues pertaining to any labour unrest or drawing ire of USFDA or CDSCO (The Central Drugs Standard Control Organization) or other regulators from regulatory perspective.

## **OUR BUSINESS STRATEGY**

***Expanding our footprint:***

Our goal is to become one of the leading suppliers of pharmaceutical products globally. Currently, we serve the West African region and recognize significant demand for products like ours. We are actively pursuing opportunities to expand into higher-margin markets such as North America and Europe. Our company aspires to be a leading international supplier of healthcare products by introducing a wide range of generic and branded offerings, positioning ourselves as a key player in the export market.

A substantial portion of our revenue comes from the generic and nutraceuticals segments. We partner with a single contract manufacturer in Jalgaon, Maharashtra, who produces antibiotics for us. However, the revenue from antibiotics is a smaller part of our overall income, when compared to the combined revenue from generics and nutraceuticals. Generic and nutraceutical medicines generally have lower regulatory and cost barriers, making these sectors highly competitive. As a result, our company may face pricing pressures that could impact our margins, profitability, and growth potential.

To address these challenges, we are executing a three-pronged strategy. First, we aim to expand our customer base in the African region. Second, we plan to diversify and broaden our product offerings. Third, we are focused on entering new geographies, including Asia, and targeting more stable, high-margin markets such as North America and Europe in the future. As part of this strategy, we have already registered in Cambodia and plan to expand into Laos and Vietnam soon. Furthermore, we are exploring more stable African markets, including Zambia and Nigeria.

***Expanding our product offerings:***

Apart from our current product offerings, we may venture into other product offerings as and when the opportunity is there. Company has license for nutraceutical products. Company may start with some new products in line with demand.

***Increase our warehouse capabilities:***

Presently we have warehouse facility for our Ambarnath facility and all our contract manufacturers also have warehouse facilities to store raw materials and finished goods at their respective locations. However, with growth and demand for our products in the future and proper forecasting, we may be required to produce and store the medicines to cater to the growing demand. These warehouses significantly improve our capability to store our products and forms an important cog in our over supply chain. We look to augment our storage and handling capacity in order to increase our exports and market presence pan India and worldwide.

***Increase the numbers of contract manufacturers:***

Presently, our Company has partnership with 5 (Five) contract manufacturers. We look to improve this number further to cater to our expanding offerings and to diverse geographical base. Also having more contract manufacturers helps in compensating the loss,

if the existing manufacturer has gone bust or facility suspended in the event of any regulatory issues, etc. Also having more tie-ups with contract manufacturers gives us an upper hand in price negotiation and on time execution of the order. Also it helps us to contract more orders from our customers abroad.

***Investment and upgradation in Information Technology (IT) and other digital initiatives:***

As we grow, we wish to have ERP (Enterprise Resource Planning) systems in the future to integrate our operations, enhance supply chain visibility, and ensure efficient resource allocation across manufacturing and distribution channels. This streamlines inventory management, sales tracking, timely delivery and also helps in regulatory compliance. By upgrading existing tools and investing in other digital initiatives, company can look to further efficiently enhance and streamline operations in cost and time efficient ways.

**SWOT ANALYSIS:**

<u>STRENGTHS:</u>	<u>WEAKNESS:</u>
<ol style="list-style-type: none"> <li>1. Experienced Management Team and Skilled / Trained Employees.</li> <li>2. In-house QA/QC capabilities for formulations and quality checks.</li> <li>3. Reliable relationships with contract manufacturers and distributors.</li> <li>4. Asset Light model as bulk of manufacturing is done by a contract manufacturer.</li> <li>5. Operational hub’s proximity to airport and seaport.</li> <li>6. FDA AND FSSAI certified organization.</li> <li>7. Working capital not blocked in the inventory of finished goods or raw material to make finished goods as production is done as per the orders received.</li> <li>8. Ambarnath facility is located in MIDC area. MIDC usually gives benefits like providing infrastructure, policies and incentives for growth, approvals, etc</li> <li>9. Due to inherent export oriented business, company gets monetary benefits from the GoI.</li> </ol>	<ol style="list-style-type: none"> <li>1. Loss of Control over contract manufacturer’s manufacturing process can lead to delay or loss of order or loss of business.</li> <li>2. Dependency on contract manufacturer.</li> <li>3. Majority of revenues from export market.</li> <li>4. We have working relationship with only one forwarding agent i.e. Vision Container Lines</li> </ol>
<u>OPPORTUNITY:</u>	<u>THREATS:</u>
<ol style="list-style-type: none"> <li>1. Increasing opportunity to formulate and produce generic medicines for less advantaged countries.</li> <li>2. Potential to export into untapped regions or different product categories with growing needs.</li> <li>3. Huge opportunity to grow inorganically.</li> <li>4. Leverage or improve IT solutions to improve sales.</li> <li>5. Increase the number of contract manufacturers to increase sales.</li> </ol>	<ol style="list-style-type: none"> <li>1. Compliance with evolving safety and regulatory standards of the regulators may increase the cost.</li> <li>2. Intense competition from both established firms and new entrants in the generic market.</li> <li>3. Any potential lapse in the standards or adherence to manufacturing process can lead to health issues in consumers. This can be fatal as well and can quite be a catastrophe for the company.</li> <li>4. Any force majeure events like Covid can hurt badly as majority revenues from exports.</li> <li>5. Any significant instability, force-majeure event in Sierra Leone and in Africa can have detrimental effect on our business.</li> </ol>

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

As per Restated Financial Statements

### KPI Indicators

(₹ In Lakhs except percentages and ratios)

Sr. No.	Particulars	For the period ended	For the year ended		
		November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
1	Revenue from operations <sup>(1)</sup>	2,068.16	1,558.62	653.80	959.85
2	EBITDA <sup>(2)</sup>	378.71	254.58	151.66	(35.55)
3	EBITDA (%) Margin <sup>(3)</sup>	18.31%	16.33%	23.20%	(3.70%)
4	PAT <sup>(4)</sup>	337.49	136.03	105.66	11.06
5	PAT Margin <sup>(5)</sup>	16.32%	8.73%	16.16%	1.15%
6	Return on Equity (ROE)% <sup>(6)</sup>	41.77%	32.47%	72.49%	9.98%
7	ROCE% <sup>(7)</sup>	44.47%	34.29%	56.08%	31.68%
8	Debt- Equity Ratio <sup>(8)</sup>	0.71	1.07	2.64	3.56
9	Net Fixed Assets Turnover Ratio (Times) <sup>(9)</sup>	23.66	14.29	5.78	10.46
10	Current Ratio (Times)	1.88	1.52	1.09	0.98
11	ROE <sup>(9)</sup>	41.77%	32.47%	72.49%	9.98%
12	EPS <sup>(10)</sup>	5.38	2.37	1.89	11.62

#### Notes:

- Revenue from operations is the total revenue generated by our Company.
- EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses- Other Income
- EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- PAT is Profit Before Tax-current tax-deferred tax.
- PAT Margin is PAT/Revenue from operations
- ROE is Net profit after tax/Total Equity
- ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total debt
- Debt Equity Ratio is Net Debt/Total equity\*Net debt =non current borrowing +current borrowing -cash and cash equivalent, Bank balance and investment in Mutual funds. Total Equity= Equity share capital +other equity
- Net fixed asset turnover ratio=Revenue from operations/Fixed Asset
- Current Ratio: Current Asset over Current Liabilities
- EPS is mentioned as EPS for the period

## FINANCIAL SUMMARY

Our Key Financial and other Operational Performance Indicator relevant to our business are:

(₹ in Lakhs)

Particulars	Financial Year ended March 31,			
	Nov-2024	2024	2023	2022
Revenue from operations	2,068.16	1,558.62	653.80	959.85
EBITDA	378.71	254.58	151.66	(35.55)
Restated profit after tax	337.49	136.03	105.66	11.06
Current Assets	2,370.15	1,833.56	1,069.28	737.88

Particulars	Financial Year ended March 31,			
	Nov-2024	2024	2023	2022
Current Liabilities	1,262.65	1,205.78	978.77	755.57
Short term Borrowings	476.83	519.30	342.65	236.91
Long term Borrowings	220.27	162.69	181.86	94.05
Total Borrowings	697.11	681.99	524.51	330.96
Net Worth	976.74	639.25	198.59	92.93
Basic & Diluted earnings per Equity Share before considering Bonus Issue with a nominal value of ₹ 10 (in ₹)	43.05	18.92	15.09	93.00
Basic & Diluted earnings per Equity Share after considering Bonus Issue with a nominal value of ₹ 10 (in ₹)	5.38	2.37	1.89	11.62
Return on net worth (%)	34.55%	21.28%	53.21%	11.90%
Net Asset Value per Equity share before considering Bonus Issue as Restated (in ₹)	124.60	81.55	28.37	13.28
Net Asset Value per Equity share after considering Bonus Issue as Restated (in ₹)	15.57	10.19	3.55	1.66
Total Debt Equity Ratio	0.71	1.07	2.64	3.56

Revenue on the basis of Geographywise and Business Vertical are tabulated as below:

Particulars	Apr-24- Nov-24	% of Total Sales	FY 2023-24	% of Total Sales	FY 2022-23	% of Total Sales	FY 2021-22	% of Total Sales	(₹ in Lakhs)
<b>Domestic Sales</b>									
Maharashtra	265.84	12.85%	39.88	2.56%	-	-	-	-	
Gujarat	61.1	2.95%	-	-	-	-	-	-	
<b>Total of Domestic Sales</b>	<b>326.94</b>	<b>15.80%</b>	<b>39.88</b>	<b>2.56%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Exports Sales</b>									
Mali	386.62	18.69%	351.79	22.50%	24.56	3.76%	-	-	
Ghana	-	-	53.87	3.45%	104.91	16.03%	-	-	
Liberia	-	-	-	-	-	-	356.17	37.11%	
Sierra Leone	1,354.59	65.50%	985.12	63.03%	524.43	80.21%	361.67	37.68%	
United Kingdom	-	-	132.17	8.46%	-	-	242.01	25.22%	
<b>Total of Export Sales</b>	<b>1,741.21</b>	<b>84.19%</b>	<b>1,522.95</b>	<b>97.44%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>	
<b>Total</b>	<b>2,068.16</b>	<b>100%</b>	<b>1,562.83</b>	<b>100%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>	

Particulars	Apr-24- Nov-24	% of Total Sales	FY 2023- 24	% of Total Sales	FY 2022- 23	% of Total Sales	FY 2021- 22	% of Total Sales
<b>Domestic Sales</b>								
Maharashtra	265.84	12.85%	39.88	2.56%	-	-	-	-

Particulars	Apr-24- Nov-24	% of Total Sales	FY 2023- 24	% of Total Sales	FY 2022- 23	% of Total Sales	FY 2021- 22	% of Total Sales
Gujarat	61.1	2.95%	-	-	-	-	-	-
<b>Total of Domestic Sales</b>	<b>326.94</b>	<b>15.80%</b>	<b>39.88</b>	<b>2.56%</b>	-	-	-	-
<b>Exports Sales</b>								
Mali	386.62	18.69%	351.79	22.50%	24.56	3.76%	-	-
Ghana	-	-	53.87	3.45%	104.91	16.03%	-	-
Liberia	-	-	-	-	-	-	356.17	37.11%
Sierra Leone	1,354.59	65.50%	985.12	63.03%	524.43	80.21%	361.67	37.68%
United Kingdom	-	-	132.17	8.46%	-	-	242.01	25.22%
<b>Total of Export Sales</b>	<b>1,741.21</b>	<b>84.19%</b>	<b>1,522.95</b>	<b>97.44%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>
<b>Total</b>	<b>2,068.16</b>	<b>100%</b>	<b>1,562.83</b>	<b>100%</b>	<b>653.90</b>	<b>100%</b>	<b>959.85</b>	<b>100%</b>

(₹ in Lakhs)

Particulars	Nov-24	FY 2023-24	FY 2022-23	FY 2021-22
Pharmaceutical	1,861.76	1,397.01	576.48	876.82
Nutraceutical	206.4	165.82	77.42	83.03
<b>Total</b>	<b>2,068.16</b>	<b>1,562.83</b>	<b>653.90</b>	<b>959.85</b>

## TOP RAW MATERIAL SUPPLIERS

Details of procurement from Top 1, 3, 5 and 10 Suppliers for raw materials for the period ended November 30, 2024, and fiscal FY 2025, FY 2024, FY 2023 and FY 2022:

## TOP SUPPLIERS

(₹ in Lakhs)

Particulars	Period ended		For Financial Year					
	November 30, 2024		March 2024		March 2023		March 2022	
	Rs. in Lakhs	% of total procure ment	Rs. in Lakhs	% of total procure ment	Rs. in Lakhs	% of total procure ment	Rs. in Lakhs	% of total procure ment
Our Largest Supplier	185.80	24.73%	100.65	12.13%	58.34	15.76%	240.45	40.39%
Our top three Supplier	305.80	40.61%	259.83	31.31%	153.80	41.54%	330.67	55.55%
Our top five Suppliers	375.45	49.98%	321.09	38.70%	204.83	55.34%	380.61	63.94%
Our top ten Suppliers	477.40	63.55%	437.31	52.70%	274.80	74.22%	468.85	78.76%

<sup>(1)</sup> Percentage (%) is calculated as a percentage of Total Procurement done.

## REVENUE BIFURCATION

### Revenue bifurcation top 1, 3, 5 and top 10 customer wise



Sr. No.	Particulars	For the period ended		For the year ending March 31,					
		November 30, 2024		2024		2023		2022	
		Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>	Revenue (₹ in lakhs)	% <sup>(1)</sup>
1	Our Largest customer	508.63	24.59	453.63	29.02	258.51	39.54	242.01	25.21
2	Our top 3 Customers	1,133.51	54.81	936.39	59.91	616.59	94.29	666.74	69.47
3	Our top five Customers	1,489.51	72.02	1,212.27	77.57	653.91	100.00	913.21	95.14
4	Our top ten Customers	1,952.21	94.39	1,522.95	97.44	653.91	100.00	959.85	100.00

<sup>(1)</sup> Percentage (%) is calculated as a percentage of Total Revenue.

### Revenue bifurcation unit wise through contract manufacturer

( in Percentage)

Sr. No.	Name of the Manufacturing unit	Period ended November 30, 2024 <sup>(1)</sup> (%)	FY 2024 <sup>(1)</sup> (%)	FY 2023 <sup>(1)</sup> (%)	FY 2022 <sup>(1)</sup> (%)
1	Biotime Pharmaceuticals Pvt. Ltd	32.00	12.00	-	-
2	Kalash Pharmachem Pvt Ltd (Generic Medicine)	26.30	-	27.60	37.00
3	Ferron Lifecare Private Limited <sup>^</sup>	-	11.00	13.00	9.00
4	The Pharmaceuticals Products of India Limited	16.00	77.00	57.00	52.00
5	Ambarnath Facility (Asston Pharmaceuticals Limited).	10.00	-	-	-
6	Inducare Pharmaceuticals and Research Foundation	9.00	-	-	-
7	Kalash Pharmachem Pvt Ltd (Antibiotic Medicine)	2.70	-	2.40	2.00
8	Asuwaldi Pharmaceuticals	4.00	-	-	-

<sup>(1)</sup> Percentage (%) is calculated as a percentage of Total Revenue Percentage

<sup>^</sup>It is pertinent to note that the manufacturing equipments are purchased by Asston pharmaceuticals pvt ltd on April 1st April 2024. "The Pharmaceuticals Products of India Limited" ceased its operation and wind up in May 2024. There is one more facility named "Bushal Chemi pharma Pvt. Ltd." with whom company has tie-up, but it is yet to generate any revenue.

### REVENUE FROM TOP MEDICINES WISE

Revenue for Top 1, 3, 5 and 10 medicines wise irrespective of country, type and form of medicine.

( in Percentage)

Sr. No.	Name of the Medicine	Period ended November 30, 2024	FY 2024	FY 2023	FY 2022
1	Oral Rehydration Salt	8.8	10.14	9.23	14.81
2	Dexamethasone	5.95	4.98	4.99	7.21
3	Piroxicam Capsules	5.85	5.41	6.81	7.5
4	Routine Set Vitamins	4.74	6.35	9.83	7.31

Sr. No.	Name of the Medicine	Period ended November 30, 2024	FY 2024	FY 2023	FY 2022
5	Diclofenac Sodium	3.53	1.74	5.3	2.47
6	Diclofenac Pottasium	5.8	4.98	4.54	5.43
7	Mebendazole	4.35	2.8	3.33	2.17
8	Folirex Forte Syrup	1.93	1.99	1.51	1.09
9	Sildenafil Tablet	3.87	4.17	4.84	6.91
10	Albendazole tablet	1.55	1.37	1.36	1.48

(1) Percentage (%) is calculated as a percentage of Total Revenue.

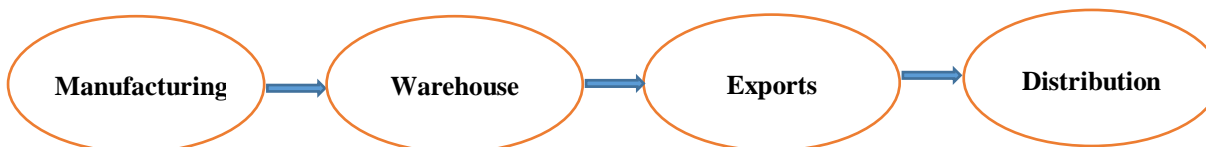
#### NUMBERS OF BRANDS REGISTERED COUNTRY WISE

Sr. No.	Name of the country	Number of brands registered
1	Sierra Leone	142
2	Ghana	4

#### NUMBER OF BRANDS REGISTERED FORM WISE

Sr. No.	Type/ Form	Number of brands registered
1	Tablets	65
2	Sachets	3
3	Syrups/ suspension	29
4	Capsules	22
5	Ophthalmic preparation	6
6	Cream	2

#### OUR BUSINESS MODEL

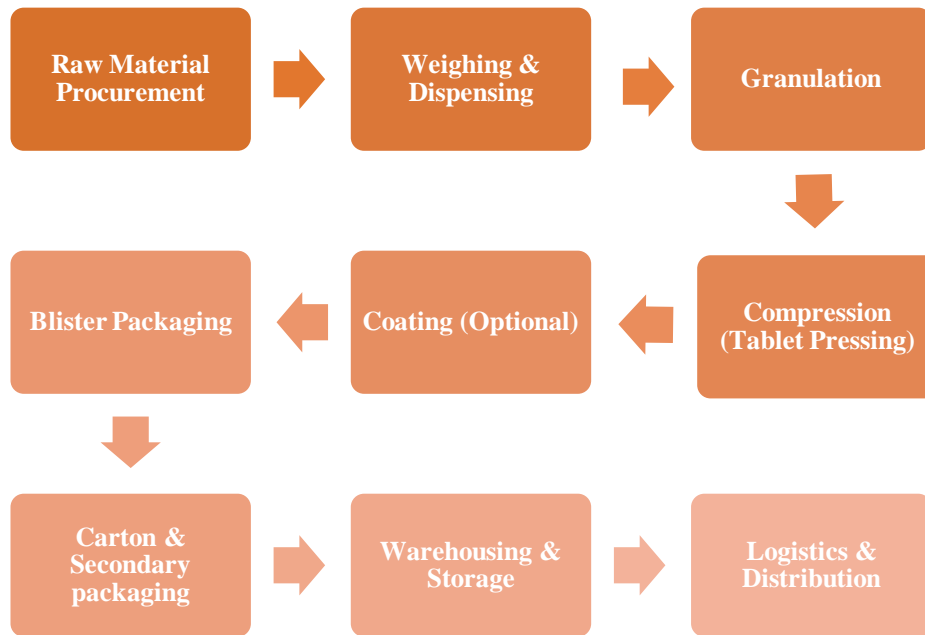


Pharmaceuticals and nutraceuticals play different roles in health and wellness. Pharmaceuticals, including antibiotics, vaccines, and insulin, are medications used to prevent, diagnose, treat, or cure diseases. They are highly regulated by authorities such as the FDA and EMA, with extensive clinical trials required for approval. In contrast, nutraceuticals like omega-3 supplements, probiotics, and multivitamins are food-derived products that promote health, prevent deficiencies, and enhance well-being. They are less strictly regulated, with no formal clinical trials needed for approval. While pharmaceuticals utilize active chemical compounds to target specific disease mechanisms, nutraceuticals focus on natural ingredients like herbs, vitamins, and minerals to support general health. Our business model is simple: we provide formulations, have products contract manufactured according to industry standards and compliance practices, and store the finished products in our warehouses for distribution. Our Warehouses are well equipped with HVAC (Heating, Ventilation and Air conditioning) systems, climate control and HEPA (High-efficiency particulate air) filters to maintain the integrity of the product and maintain controlled environment within prescribed temperature and humidity ranges with low possible contamination.

From our warehouses, products are shipped to various regions like West African region and other Asian countries. Once at the destined export location, products are distributed to our primary customers, mainly pharmacies in West African and Asian region currently.

#### PHARMACEUTICAL TABLET MANUFACTURING PROCESS

The complete step by step process in the manufacturing of a tablet is depicted below with brief about of each process laid down in the subsequent section thereafter.



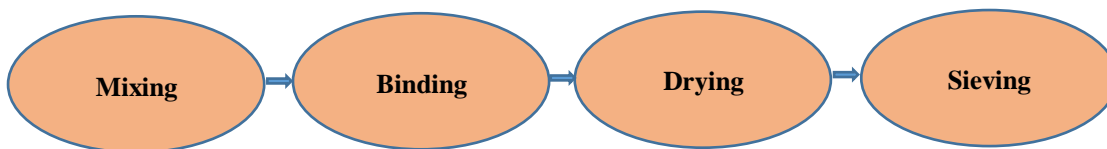
**1. Raw Material Procurement**

Source: We procure API (Active Pharmaceutical Ingredients) and excipients from certified suppliers. Quality Check: Raw materials undergo QA/QC testing to ensure they meet required specifications and standards. Storage: Approved raw materials are stored in designated areas in compliance with regulatory guidelines.

**2. Weighing & Dispensing**

Weighing: The required quantity of raw materials is weighed as per the formulation specifications. Dispensing: Accurately measured materials are dispensed for the next stage.

**3. Granulation**



Wet Granulation Process: **Mixing:** The raw materials (API and excipients) are blended in a mixer to ensure homogeneity. **Binder Addition:** A liquid binder is added to the mixture to form a wet mass. **Granulation:** The wet mass is processed through a granulator to create granules. **Drying:** The wet granules are dried using a fluid bed dryer or tray dryer to achieve the desired moisture content. **Sieving:** The dried granules are passed through a sieve to ensure uniform size distribution.

**4. Compression (Tablet Pressing)**

Granule Compression: The dried and sized granules are fed into the tablet press machine, where they are compressed into tablets under high pressure. **Tablet Shape:** Tablets can be shaped and sized based on the formulation and product requirements (e.g., round, oval). **Quality Check:** Post-compression, tablets undergo weight, thickness, and hardness checks to ensure consistency and quality.

**5. Coating (Optional)**

Coating: Tablets may be coated with a protective or aesthetic film (e.g., sugar coating, enteric coating) to improve appearance, taste, or stability.

**6. Blister Packaging**

Blister Machine: Tablets are placed into blister packs (PVC/Aluminium blisters) using a blister packaging machine. Sealing: The blister pack is sealed with an aluminium foil or laminate to protect the tablets from external elements such as moisture and air. Labelling: Blister packs are labelled with product information, batch numbers, expiry dates, and regulatory information.

## 7. Carton & Secondary Packaging

Carton: Blister packs are placed into cartons, which are labelled and sealed. Batch Inspection: A final quality check is performed to ensure all cartons are properly packed and labelled.

## 8. Warehousing & Storage

Storage: Finished products are stored in Asstton Pharmaceuticals' warehouses under controlled conditions, ensuring product integrity before shipment.

## 9. Logistics & Distribution

Loading into 40-ft Containers: Once ready for export, cartons are loaded into 40-ft shipping containers. Shipping Documentation: Necessary shipping documents (e.g., NOCs, certificates) are prepared and processed for international distribution. Export & Distribution: Containers are shipped via sea or airports to destination markets (West Africa, South Africa, Asia). Final Distribution: Products are distributed to pharmacies through established B2B channels.

## RAW MATERIAL PROCUREMENT AND HANDLING

The complete process of procurement of raw material and its handling is depicted below with brief about of each process laid down in the subsequent section thereafter.



### a. Active Pharmaceutical Ingredients (API)

Sourcing: APIs are the critical components responsible for the therapeutic effect of the medicine. Asstton Pharmaceuticals procures APIs from WHO-GMP certified suppliers. Types: The APIs may vary depending on the product being manufactured, such as painkillers, antacids, pediatric drugs, etc. Quality Control: Each batch of API undergoes stringent quality checks in accordance with pharmacopeia standards (e.g., USP, BP, IP) to ensure purity, potency, and stability.

### b. Excipients

Purpose Excipients are inactive substances used to aid the formulation, providing the right consistency, stability, and bioavailability of the drug.

Common Excipients: Binders: Help the powders stick together to form tablets (e.g., starch, gelatin). Diluents/Fillers: Bulk up the formulation to the required (e.g., lactose, microcrystalline cellulose) Disintegrants: Facilitate tablet breakdown in the digestive size system (e.g., sodium starch glycolate). Lubricants: Reduce friction during tablet production (e.g., magnesium stearate). Colorants and Flavorings: Improve appearance and taste (e.g., titanium dioxide for colour, aspartame for flavor). Quality Control: Excipients undergo testing for identity, purity, and performance, ensuring they conform to international pharmacopeia standards.

### c. Packaging Materials

Primary Packaging: Blister Films: Made from PVC (polyvinyl chloride) or Aluminium, depending on the type of product and its sensitivity to moisture, air, and light. Aluminium Foils: Used as a sealing layer for blister packs. Secondary Packaging: Cartons: Paperboard cartons for holding blister packs. Labels: Include product information, batch number, expiration date, and regulatory details.

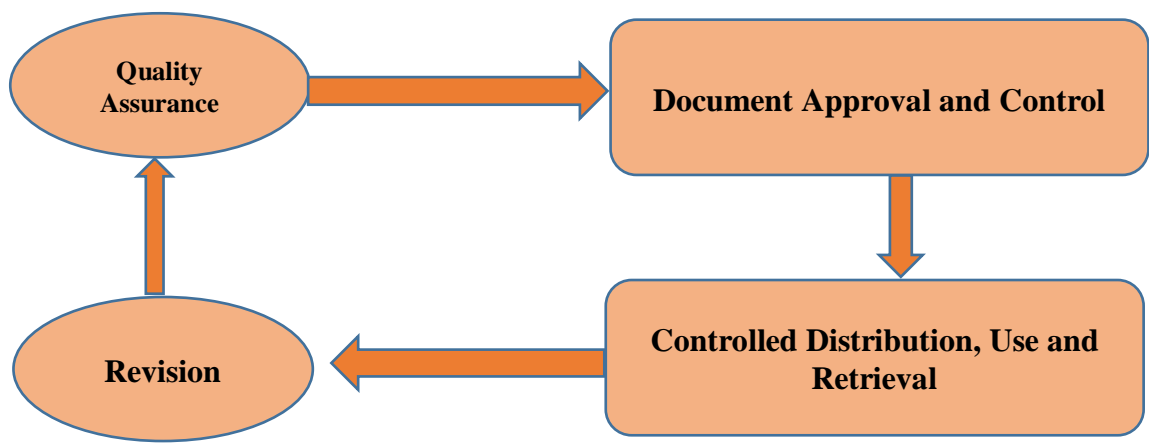
### d. Quality Control (QC) and Storage

Testing: All raw materials undergo a thorough QC process before they are approved for use in manufacturing. This includes chemical, physical, and microbiological testing to ensure compliance with standards. Storage Conditions: APIs and excipients are stored in temperature- and humidity-controlled environments to preserve their stability. Segregation of materials is done to avoid cross-contamination, particularly with allergenic or highly potent APIs.

### e. Documentation & Compliance

Documentation: All raw materials are tracked using batch records for full traceability. Material safety data sheets (MSDS) and certificates of analysis (COA) are maintained for regulatory and internal audits. Regulatory Compliance: We comply with regulatory guidelines from authorities like FDA, EMA, and national agencies in target markets. This includes ensuring that all raw materials meet the necessary regulatory standards.

**DOCUMENTATION AND DOCUMENTATION UPDATE PROCESS**



Documentation forms a key part in upholding the standards of the quality of the product. Master documents are kept in the document storage room under the safe custody of Quality Assurance team who has the onus of revising and generating the documents and their distribution and retrieval. They are also responsible to generate documents for use after approving the same.

Based on WHO-GMP guidelines and FDA requirements, product manufacturing and the related documents are prepared. Documents are prepared keeping in mind the international standards along with the local FDA guidelines for product manufacturing. These documents lay the very emphasis for proper quality control and processes to meet the quality and standards. Any periodical revision or amendments if any, documents are updated accordingly.

Batch documents are retained till 1 year after the expiry of the product or after any specific requirement of regulatory authority. After this time period, these batch documents are destroyed. But batch documents of validation batches are never destroyed. They are stored along with validation documents forever. Also obsolete SOPs, if any shall be stored forever.

Periodical reviews of documents are done. Reviews happen every 2 years. Also review of standard operating procedure happen every 3 years. If any changes or amendments are there, necessary changes are effected in the document by following proper change control procedure and document is allotted next revision number after incorporation of such a change. History sheet of each document is maintained to track the changes.

Standard operating procedures for the process to be carried out by workman are laid down in regional language for them to easily understand it and carry out the task effectively. Also at the same time, senior staff is also there to help in case of any issues in understanding the SOPs.

Various documents and periodical records are maintained in context to temperature, cleaning, relative humidity. Master documents of specifications of raw materials, packaging materials, master formula records, master packing records, vendor assessment records, analytical method and various validation methods are maintained. Protocols and documents pertaining to validation, calibration, stability study, product history are also maintained.

These documents effectively form a guiding force for the company to comply with the guidelines set by regulatory authority and the maintain the quality and standard of the product thus produced.

**QUALITY CONTROL DEPARTMENT AT THE AMBARNATH PLANT**

Our Quality assurance department is at forefront to ensure the quality of the products thus produced are at acceptable standards as set by guidelines of international and domestic regulator like FDA. They are in-charge of complete documentation process as far as following standards and achieving quality products are concerned. Our Quality assurance department deals with sampling, specifications, testing, documentation and release procedure and ensures complete implementation of the relevant protocol. Hence effectively, our quality assurance department straddles across each stage of the product manufacturing by in process quality checks, intermittent sampling & analysis to effectively hold the manufacturing process and produce products of desired standards and the quality.

Quality Assurance department is equipped with various instruments and equipment. These instruments are quiet advanced and sophisticated to conduct relevant testing of raw material, packaging material and finished goods.

There are two section of the Quality Control laboratory.

- Chemical
- Instrumentation

**INSTRUMENTATION LAB**



**CHEMICAL ANALYSIS LAB**



**OTHER TOOLS AND MACHINERIES**



**Capacity and Capacity Utilisation:**

PHARMACEUTICALS PRODUCT				
SR. NO	DOSAGE FORM	Average Wight of Tablet	Tablet Per Month Capacity	
			Uncoated	Coated
1.	TABLETS	100 TO 300 MG	8.0 Cr. To 10.0 Cr.	6.0 Cr. To 8.0 Cr.
		300 TO 600 MG	5.0 Cr. To 6.0 Cr.	4.5 Cr. To 5.5 Cr.

NUTRACEUTICALS PRODUCT				
SR. NO	DOSAGE FORM	Average Wight of Tablet	Tablet Per Month Capacity	
			Uncoated	Coated
1.	TABLETS	100 TO 300 MG	5.0 Cr. To 6.0 Cr.	5.0 Cr. To 6.0 Cr.
		300 TO 600 MG	3.0 Cr. To 5.0 Cr.	3.0 Cr. To 5.0 Cr.

		600 TO 1.0 G	2.0 Cr. To 3.0 Cr.	2.0 Cr. To 3.0 Cr.
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SR.NO	DOSAGE FORM	Average Weight Of Sachet	Sachets Per Month Capacity
2.	SACHETS	1 GM TO 10 GM	40 Lakhs
		10 GM TO 30 GM	24 Lakhs

SR.NO	DOSAGE FORM	Average Weight Of Sachet	Sachets Per Month Capacity
3.	LIQUIED BOTTLES	60 ML 100 ML	2.0 To 2.5 Lakhs
		200 ML	1.0 To 1.5 Lakhs

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**COMPLETE PRODUCTION FLOW WITH RAW MATERIAL MOVEMENT**





## Our Location

<b>Registered Office</b>	4 <sup>th</sup> Floor, Office No. A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane – 400 614, Maharashtra, India.
<b>Manufacturing Facility</b>	K-50, Near MSEB Sub Station, Thakurpada Gaon, MIDC, Anand Nagar, Near A Solution, Ambernath (East), India- 421501



### Manufacturing facility located at Ambernath

#### Water Supply

Water is a critical utility for various stages of pharmaceutical production, including granulation, tablet compression, and cleaning of equipment. Types of Water: Purified Water (PW): Used in the manufacturing process, especially for oral solid dosage forms (tablets, syrups). Water for Injection (WFI): Required for the production of sterile products like LVP (Large Volume Parenterals) and SVP (Small Volume Parenterals).

Process Water: Used for cleaning equipment, cooling, and general manufacturing needs. Water Treatment: Asston maintains an in-house water treatment facility to purify raw water, ensuring it meets pharmacopeial standards (e.g., USP, BP, IP) for pharmaceutical production.

#### Power Supply

Reliable power supply is crucial to maintain uninterrupted production and to operate critical equipment such as tablet presses, blister packaging machines, granulators, and dryers. Backup Power: Asston Pharmaceuticals uses diesel generators or uninterruptible power supply (UPS) systems to ensure operations continue in case of power outages. Energy Efficiency: The company implements energy-saving measures, such as LED lighting, energy-efficient machinery, and monitoring systems to optimize power consumption.

#### HVAC (Heating, Ventilation, and Air Conditioning) System

The HVAC system plays a vital role in controlling the temperature, humidity, and air quality within the manufacturing and storage areas. Clean Room Environment: The HVAC system ensures that the clean rooms (where tablets, capsules, and injections are manufactured) maintain a controlled environment with low particulate matter and microbial contamination. Air Filtration: High-efficiency particulate air (HEPA) filters are used to maintain air quality by filtering out contaminants and maintaining positive or negative pressure as required. Climate Control: The system ensures that specific areas, such as storage and warehousing, are kept within prescribed temperature and humidity ranges.

#### Compressed Air System

Compressed air is used in tablet coating, packaging processes, and operation of pneumatic systems (e.g., for machinery like capsule fillers, blister packaging machines). Quality: The air must meet certain purity standards to avoid contamination of the product during manufacturing. Uses: Compressed air is used for air drying, cleaning equipment, and providing power to pneumatic systems in the production line.

#### Steam Supply

Steam is used for sterilization, particularly in autoclaves for sterilizing equipment and materials. It's also used in processes such as granulation and drying. Steam Generators: Asstton has dedicated boilers or steam generators to produce the required steam for various manufacturing and cleaning processes.

### Refrigeration and Cold Storage

Certain pharmaceuticals and raw materials, especially biologics and sensitive products require storage in cold or frozen conditions to maintain their stability. Cold Chain Management: Asstton Pharmaceuticals maintains cold storage facilities to store temperature-sensitive products at 2°C to 8°C (for refrigerated products) or below -20°C (for frozen products). Monitoring Systems: Continuous temperature monitoring systems ensure that storage conditions remain optimal, with alarms and backup systems in place.

### Effluent Treatment Plant (ETP)

The Effluent Treatment Plant is essential for managing wastewater generated during production and cleaning processes. Treatment Process: The ETP ensures that wastewater is treated to meet environmental standards before discharge, helping Asstton remain compliant with local and international regulations for waste disposal. Wastewater Recycling: In some cases, treated water can be recycled and reused for non-critical applications such as landscaping or cooling.

### Firefighting System

Ensures fire safety across production, storage, and administrative areas. Components: Fire alarms and smoke detectors installed in all critical areas. Fire extinguishers, hydrant systems, and sprinkler systems in compliance with regulatory safety standards. Emergency evacuation plans and regular fire drills to ensure preparedness.

### Gas Supply

Gases like nitrogen or carbon dioxide are used in certain processes, such as inerting, packaging (to create a nitrogen atmosphere), or for some laboratory testing. Nitrogen Gas: Often used for purging containers and ensuring product stability, particularly in lyophilization or sterile manufacturing.

### Waste Management System

Proper disposal of pharmaceutical waste, including hazardous materials, chemical waste, and biological materials. Segregation & Disposal: The waste is segregated at the source and handled through licensed waste management contractors. Non-hazardous waste can be recycled or incinerated following regulatory guidelines.

## LIST OF KEY MACHINERIES AT OUR AMBARNATH PLANT

List of Equipment department wise

Sr. No	Department	List of Equipment
1	Engineering Utility	Air Handling Unit (AHU), Air Compressor, Hoist, Purified Water System, Effluent Treatment Plant (ETP)
2	Warehouse	Dispensing Booth, Electronic Weighing balance (EWB) of different capacities, Sampling rod, Scoop, platform trolley, Hand hydraulic trolley
3	Production	Friability Test apparatus, Disintegration Test apparatus, Pass Box, Coating plan, Tablet Compression machine, Blender, multi-meter, vibro shifter, multimill, Vernier caliper, Paste Kettle, hardness tester, etc
4	Quality Control	Lab Oven, Stability chambers, muffle furnace, Ph Meter, Karl Fischer, UV Spectroscopy, Moisture analyzer, Polarimeter, tap density tester, ultrasonic cleaner, leak test apparatus, water bath, melting point apparatus, etc

## EXPORT AND EXPORT OBLIGATION

Though our focus is to export our products to distributors and pharmacies, on low-cost formulations at affordable pricing for price-sensitive markets, we do not have any export obligations as such. We sell our products domestically as well as to foreign markets.

## EXPORT BENEFIT FROM THE GOVERNMENT OF INDIA

We receive export benefits from the Government of India in terms of Duty drawback and RoDTEP (Remission of Duties and Taxes on Exported Products). RoDTEP and duty drawbacks are schemes by Government of India which provides rebates on duties and taxes paid by the exporters on their exports. Drawback and RoDTEP benefits are dependent on the HSN code (Harmonized System of Nomenclature) of the product exported. It is calculated on the basis of FOB (Freight on board/ Free on board) value. For our products and for the category of HSN Code of the products we export, we get benefit of around 0.8% to 1% and 1.3% to 1.9% of

the FOB value in the shipping bill, as a RoDTEP and Duty Drawback benefit respectively. These amounts are typically credited to us within around three months from the date of shipping bills.

We also get benefit in terms of Interest Equalisation Scheme (IES). Interest Equalisation Scheme is also a Government of India initiative that offers reduced interest rates to exporters on their pre- and post-shipment rupee export credits. The benefits are calculated on the basis of FOB value. We get benefit of 0.5% on the FOB value mentioned on the shipping bill. When the client remits the money in our bank, our bank issues Bank Realization Certificate (BRC) to us. Basis this Bank Realization Certificate, Directorate General of Foreign Trade (DGFT) issues us documents certifying completion of a trade cycle and we receive monetary benefit within 6 months.

## COLLABORATIONS/TIE UPS/ JOINT VENTURES

Loan License Location: We typically enters into 5 years agreement with contract manufacturers. These manufacturers are WHO-GMP certified, to ensure the products adhere to the quality standards set and are compliant to them. Apart from contract manufacturers, we also collaborate with distribution partners to expand market reach and enhance product distribution efficiency. Currently company has tie-ups with 4 WHO-GMP certified contract manufacturers. Company is in talks to add one more contract manufacturer named “Tachyons Lifescience Pvt Ltd” based in Gujarat. This shall augment our contract manufacturing capacity.

Sr. No.	Contract Manufacturing Facility	Agreement Tenure	Expiry	Products
1	Kalash Pharmachem Pvt Ltd., Jalgaon, Maharashtra	5 years	7 <sup>th</sup> February 2027	Antibiotics
2	Inducare Pharmaceuticals and Research Foundation, Jejuri, Pune, Maharashtra	5 years	5 <sup>th</sup> February 2029	Generics
3	Biotime Pharmaceuticals Pvt. Ltd., Murbad, Maharashtra	5 years	29 <sup>th</sup> December 2027	Generics
4	Bushal Chemi pharma Pvt. Ltd, Badlapur Thane, Maharashtra	5 years	27 <sup>th</sup> February 2027	Generics
5	Asuwaldi Pharmaceuticals	5 years	31 <sup>st</sup> December 2027	Generics

We had a tie up with a contract manufacturer named “The Pharmaceutical Products of India Ltd” located in Turbhe, Navi-Mumbai. However, the company has ceased its operation and wind up in May 2024. We have revenue booked from this manufacturing facility in FY 25 up to May 2024.



Manufacturing facility: Inducare Pharmaceuticals and Research Foundation



Manufacturing facility: Kalash Pharmachem Pvt Ltd



Manufacturing facility: Biotime Pharmaceuticals Pvt. Ltd.



Manufacturing facility: Bushal Chemi Pharma Pvt. Ltd



Manufacturing Facility: Asuwaldi Pharmaceuticals

We also have tie-ups with 2 NABL accredited labs for quality assurance and quality control checks. We send key raw materials and our finished goods on a sample basis for each batch, for quality checks at these 2 labs. Post quality check reports from these labs, we ship our products to clients thus conforming to the quality and standards.

Sr. No.	QA/QC Laboratories	Agreement Tenure and Expiry	Expiry	Scope
1	QSL Quality Solution Laboratory, Belapur, Maharashtra	5 years	28 <sup>th</sup> January 2028	Testing of key raw materials and finished goods
2	Inducare Pharmaceuticals and research Foundation (PTL), Jejuri, Pune, Maharashtra	5 years	3 <sup>rd</sup> December 2027	Testing of key raw materials and finished goods



QC Facility: Inducare Pharmaceuticals and research Foundation (PTL)

## HUMAN RESOURCES

Human resource is an asset to any industry, sourcing and managing is very important task for the management. We believe that our employees are the key to the success of our service. HR strategy emphasizes employee training, career development, and workplace diversity to foster a motivated workforce. Recruitment policies prioritize skills alignment with company goals, while employee welfare initiatives promote a healthy work-life balance and professional growth opportunities.

As on the date of this DRHP, we have 46 Permanent employees and 6 contractual employees in various departments. The details of permanent employees deployment across various business functions are given as below:

Our employee count as on 30<sup>th</sup> September 2024 is as below:

Sr.No	Function	Total No. of Permanent Workers	Total No. of Contract Workers	Total
1	Production	21	0	21
2	Quality Assurance	1	0	1
3	Quality Control	2	0	2
4	Warehouse	2	0	2
5	Engineering support Service	2		2
6	HR & Administration & Accounts	3	0	3
7	Packaging	13	6	13
8	Purchase & Procurement Dept.	2	0	2
	<b>TOTAL</b>	46	6	<b>52</b>

## COMPETITION

Competition in the pharmaceutical industry depends upon various factors like formulations, R&D capabilities, manufacturing capabilities, regulatory approvals, categories of the product line, geographical reach, etc. Markets in India and worldwide are dominated by large players having their own brands of products, huge R&D facilities deeply entrenched into various categories of product line for various ailments and for various age groups. Also there are number of players who produce generic medicines after the patents are expired. It's usually a low margin business as many generic players enters the fray and competition rises manifold.

So there is a huge competition for single product with multiple generic medicines available in the market. We believe that for us to compete effectively with other players, we need to differentiate ourselves. We consistently ensure that our product meets the quality and the established standards and process as laid down by relevant regulatory authorities. Hence we have our QA/QC team to thoroughly check quality norms and ensures proper formulation. Through our extensive product range and formulation expertise, we try to be competitive from pricing point of view. Hence we have our hub near airport and port to ensure cost efficient and time saving distribution.

Also, we are present across spectrum of products for various ailments for various age groups across various forms like tablets, syrups, creams, capsules, etc. Also we offer different packet sizes. These offerings give flexibility to our customers on various fronts like pricing, sourcing product from single vendor, etc. This results in stickiness of customers.

We continuously do market analysis and take customer feedback to help refine or change our products line for efficient sales practice.

Our nearest competitors are:

1. Achyut Helathcare Ltd,
2. Kwality Pharmaceuticals Ltd
3. Trident Lifeline Ltd
4. Shelter Pharma Ltd

## SALES AND MARKETING

Our Company employs sales approach focused on supplying pharmaceutical products to pharmacies and distributors across Africa. The company emphasizes competitive pricing and high-quality standards to penetrate new markets and maintain customer loyalty. Marketing efforts include participation in pharmaceutical expos, trade fairs held in Africa, merchandise goods and events to showcase its product range and regulatory compliance.

Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our team through their vast experience and good rapport with clients owing to timely and quality delivery of project plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of such customers.

## INTELLECTUAL PROPERTY RIGHTS:

### Trademark:

We have several trademarks on our Company as mentioned below: -

S.No	Brand Name/Logo Trademark	Class	Trademark Application Number	Owner	Authority	Date of Application	Current Status
1.	EATE FIN	5	4929483	Asston Pharmaceuticals Private Limited	Trade Mark Registry, Mumbai	April 1, 2021	Received
2.	VASACAM	5	6066220	Asston Pharmaceuticals Private Limited	Trade Mark Registry, Mumbai	August 14, 2023	Received
3.	DICLOFA	5	6426244	Asston Pharmaceuticals Private Limited	Trade Mark Registry, Mumbai	May 10, 2024	Awaited
4.	ROUTINE SET	5	6426245	Asston Pharmaceuticals Private Limited	Trade Mark Registry, Mumbai	May 10, 2024	Awaited
5.	DICLORENT	5	6426246	Asston Pharmaceuticals Private Limited	Trade Mark Registry, Mumbai	May 10, 2024	Awaited

#### Domain:

S.No	Domain Name	Registry Domain ID	Registrant Name, IANA ID	Creation Date	Registry Expiry Date
1.	www.asstonpharmaceuticals.com	D0A7E81ED10284BF090A8377813669F77-IN	remaining	16 <sup>th</sup> APRIL 2022	4 years

#### **DETAILS OF IMMOVABLE PROPERTY**

The details of the Immovable properties by company are given below:

Sr. No.	Details of Property	Licensor/Lessor Vendor	Owned/Lease d/ License	Tenure and Expiry Date	Usage
1.	Office No. A-431, Balaji Bhavan, Plot No 42A, Sector-11, CBD Belapur, Navi Mumbai, Thane, Maharashtra, 400614	Mr. Babu George	Leased	55 Months and 31 <sup>st</sup> October 2028	Registered Office
2.	K- 50, additional MIDC, Ambernath	RF Systems	Leased	5 years and 31 <sup>st</sup> March 2029	Manufacturing Facility

#### **INSURANCE DETAILS**

Our business operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events. These insurance policies are renewed periodically to ensure that the coverage is adequate.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred

by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. We have insurance coverage for raw materials, finished goods and equipments. Insurance policies mitigate risks associated with natural disasters, and regulatory non-compliance, ensuring financial protection and continuity of business operations.

Sr. No.	Name of Insurance Company	Type of policy	Policy No.	Validity Period up to	Insured Amount in ₹ lakhs
1.	Future Generali	Material Insurance Policy	RKB31327	1 Year	130 Lakhs
2.	Future Generali	Material Insurance Policy	RKB30104	1 Year	130 Lakhs

Apart from this, we have an insurance cover from port to port for each and every container we export to the client. It covers theft, fire, force-majeure, man-made incidents, pirates, etc.

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## KEY INDUSTRY REGULATIONS

*The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars, and policies in India which are applicable to our Company and our Material Subsidiaries, and the business undertaken by our Company and our Material Subsidiaries. The information detailed in this section is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information detailed in this chapter has been obtained from various legislations, rules and regulations notified thereunder, and other regulatory requirements issued by the regulatory authorities 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. Taxation statutes such as the Income-tax Act, 1961, the Customs Act, 1962 and the relevant goods and services tax legislation apply to us as they do to any other company. Further, under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and seek statutory permissions to conduct its business and operations. For details of government approvals obtained by our Company and our Material Subsidiaries, please refer to the section titled "Government and Other Approvals" beginning on page 226.*

### **INDUSTRY SPECIFIC LAWS/ REGULATIONS**

#### ***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 Micro, Small and Medium Enterprises Development Act, 2006 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 per the revised classification via Notification no. CG-DL-E-01062020-219680 applicable with effect from 1 July 2020, an enterprise would be classified as: "micro enterprise", where the investment in plant and machinery or equipment does not exceed one Crore rupees and Turnover does not exceed five Crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten Crore rupees and Annual Turnover does not exceed fifty Crore rupees; or a "medium enterprise", where the investment in plant and machinery or equipment does not exceed fifty Crore rupees and the Annual Turnover does not exceed Two hundred and Fifty Crore rupees.

#### ***The Drugs and Cosmetics Act, 1940 ("DCA")***

The DCA regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labelling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates 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 authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

#### ***The Drugs and Cosmetics Rules, 1945***

The Drugs and Cosmetics Rules, 1945 (the "DCA Rules") have been enacted to give effect to the provisions of the DCA Act to regulate the manufacture, distribution and sale of drugs and cosmetics in India. The DCA Rules prescribe the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test, the forms of Central Drugs Laboratory's reports thereon and the fees payable in respect of such reports. The DCA Rules also prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required and prescribe the form and conditions of such licence. Further, the DCA Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued is not complied with. The DCA Rules further prescribe the manner of labelling and packaging of drugs.

#### ***Drugs (Prices Control) Order, 2013***

The Drugs Prices Control Order, 2013 ("DPCO") is an order issued by the Government of India under section 3 of Essential Commodities Act, 1955 to regulate the prices of drugs. The Order *inter alia* provides the list of price-controlled drugs, procedures for fixation of prices of drugs, method of implementation of prices fixed by Government, penalties for contravention of provisions, etc. For the purpose of implementing provisions of DPCO, powers of Government have been vested in National Pharmaceutical Pricing Authority.

### ***Food Safety and Standards Act, 2006 (“FSSA”)***

The FSSA was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The FSSAI has been established under section 4 of the FSSA. Section 16 of the FSSA lays down the functions and duties of the FSSAI including FSSAI’s duty to provide scientific advice and technical support to the Government of India and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by the Food Safety Appellate Tribunal. The FSSA also lays down penalties for various offences (including recall procedures).

### ***The Bureau of Indian Standards Act, 2016***

The Bureau of Indian Standards Act, 2016 provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) conducting such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

### ***The Maharashtra Shops and Establishment Act, 1948***

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 1948 and Rules, 1948 are applicable to all the shops and commercial establishments in the whole state of Maharashtra. The Act is enacted for the purpose of protecting the rights of employees. The Act provides regulations of the payment of wages, terms of services, work hours, rest intervals, overtime work, opening and closing hours, closed days, holidays, leaves, maternity leave and benefits, work conditions, rules for employment of children, records maintenance, etc.

### ***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.

### ***Information Technology Act, 2000 (the “IT Act”)***

The IT Act, inter alia, seeks to provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication and facilitate electronic filing of documents and create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information generated, transmitted, received or stored in any computer source in the interest of sovereignty, integrity, defence and security of India, among other things.

### ***Consumer Protection Act, 2019 (the “Consumer Protection Act”)***

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It inter alia seeks to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/ or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

## **INTELLECTUAL PROPERTY LAWS**

### ***The Trademarks Act, 1999 (“Trademarks Act”)***

The Trademarks Act governs the registration, statutory protection of trademarks and prevention of the use of fraudulent marks in India. Indian law permits the registration of trademarks for both goods and services. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trademarks Act, an application for trademark registration may be made with the Trademarks Registry by any person or persons claiming to be the proprietor of a trademark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, after which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trademarks Act. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks among others. It also seeks to simplify the law relating to the transfer of ownership of trademarks by assignment or transmission and to bring the law in line with international practices.

### ***The Copyright Act, 1957 (“Copyright Act”)***

The Copyright Act serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The intellectual property protected under the Copyright Act includes copyrights subsisting in artistic works, original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and may help expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

## **FOREIGN INVESTMENT AND TRADE REGULATIONS**

### ***Foreign investment regulations***

Foreign investment in India is governed by the provisions of the Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the RBI thereunder, and the consolidated FDI policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the “**Consolidated FDI Policy**”). Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. In order to provide boost to the manufacturing sector and give impetus to the ‘Make in India’ initiative, the GoI has permitted a manufacturer to sell its product through wholesale and/or retail, including through e commerce under automatic route.

### ***Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA”), the Foreign Trade (Regulation) Rules, 1993 (“FTRR”) and the Foreign Trade Policy 2023 (“Foreign Trade Policy”)***

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number (“IEC”) granted by the director general or any other authorized person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions.

The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect from April 1, 2023. The Foreign Trade Policy, *inter alia*, governs the import and export of goods, sets out mandatory documentation required for the import and export of goods, principles of restriction and prohibitions of trade with certain identified jurisdictions and groups. The Foreign Trade Policy also sets out a framework to promote cross border trade in the digital economy and a mechanism of settlement of complaints in connection with the quality of goods and other trade disputes.

### ***The Export (Quality Control and Inspection) Act, 1963 (the “Export Act”)***

The Export Act empowers the Government of India to establish, a council called the Export Inspection Council, which would advise the Central Government regarding measures for the enforcement of quality control and inspection in relation to commodities

intended for export and to formulate programmes in connection therewith, to make, with the concurrence of the Central Government, grants-in-aid to various agencies involved in foreign trade.

## **EMPLOYMENT AND LABOUR LAWS**

### ***The Factories Act, 1948***

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories. The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

### ***Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees Provident Fund Scheme, 1952***

The Employees’ Provident Funds 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.

### ***Payment of Gratuity Act, 1972 as amended (the “Gratuity Act”)***

The Payment of Gratuity Act, 1972 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.

### ***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### ***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961 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.

### ***Equal Remuneration Act, 1976***

The Equal Remuneration Act 1976 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.

#### ***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### ***Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957***

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

#### ***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013***

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.

In order to reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

### **ENVIRONMENT PROTECTION LAWS**

#### ***Environment Protection Act, 1986 (“EP Act”) the Environment Protection Rules, 1986 (“EP Rules”) and the EIA Notification, 2006 (“EIA Notification”)***

The EP Act is the umbrella legislation in respect of the various environmental protection laws in India. Under the EP Act, the Government of India is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, *inter alia*, laying down standards for the quality of environment, standards for emission of discharge of environment pollutants from various sources, as provided under the EP Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EP Act include fines up to ₹100,000 or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EP Act continues beyond a period of one year after the date of conviction. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of government analysts.

The responsibility of primary environmental oversight authority is given to the Ministry of Environment and Forest (“**MoEF**”), the Central Pollution Control Board and the State Pollution Control Board (“**SPCB**”). Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources. In addition, the MoEF also looks into Environment Impact Assessment (“**EIA**”), wherein it assesses the impact that proposals for expansion, modernization and setting up of projects would have on the environment before granting clearances.

#### **The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

The Water Act mandates that previous consent of the SPCB be taken before establishing any industry, operation or process, or any treatment and disposal system or an extension or addition thereto, which is likely to discharge waste or trade effluents into a stream, well, sewer or onto land, bring into use any new or altered outlet for the discharge of sewage, or begin to make any new discharge of sewage.

#### **The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Air Act was enacted for the prevention, control and abatement of air pollution. The relevant State Government may declare any area as an “air pollution control area” and the previous consent of the SPCB is required for establishing or operating any industrial plant in an area so declared. Further, no person operating any industrial plant in any such area is permitted to discharge any air pollutant in excess of the standard laid down by the SPCB. The persons managing industry are to be penalized if they produce emissions of air pollutants in excess of the standards laid down by the SPCB. The SPCB may also apply to the Court to restrain persons causing air pollution. Whoever contravenes any of the provisions of the Air Act or any order or direction issued is punishable with imprisonment for a term which may extend to 3 months or with a fine of ₹10,000 or with both, and in case of a continuing offence, with an additional fine which may extend to ₹5,000 for every day during which such contravention continues after initial conviction.

#### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste”, *inter alia*, means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

#### **The Manufacture, Storage and import of Hazardous Chemical Rules, 1989 (“Rules”)**

The Rules are formulated under the Environment (Protection) Act, 1986. The Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the Rules at least 3 months before commencing that activity or before such shorter time as the concerned authority may agree.

#### **Solid Waste Management Rules, 2016**

Solid Waste Management Rules (SWM), 2016, was announced by the Union Ministry of Environment, Forests, and Climate Change. These will replace the Municipal Solid Wastes (Management and Handling) Rules, 2000, which have been in effect for the previous 16 years. Waste management refers to the tasks and procedures necessary to control waste from its inception through its disposal. This covers garbage collection, transport, treatment, and disposal in addition to monitoring and regulation.

### **TAX LAWS**

#### **Income-tax Act, 1961 (“Income Tax Act”)**

Income tax is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made thereunder depending upon its “Residential Status” and “Type of Income” involved. The Income Tax 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 Income Tax Act is required to comply with the provisions thereof, including, but not limited to, those relating to tax deduction at source, advance tax and minimum alternative tax. In 2019, the Government also passed an amendment to the Income Tax Act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

### ***Goods and Service Tax (“GST”)***

GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by central and state governments. GST is levied as dual GST separately but concurrently by the Union (central tax – CGST) and the States (including Union Territories with legislatures) (State tax – SGST) or Union Territories without legislatures (Union territory tax – UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. GST was introduced by the enactment of the Constitution (One Hundred and First Amendment) Act, 2017, following the passage of the Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014 by the Parliament. The GST is governed by a GST council whose chairman is the Finance Minister of India.

### ***Central Goods and Services Tax Act, 2017 (“CGST Act”)***

The CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

### ***The Integrated Goods and Services Tax Act, 2017 (“IGST Act”)***

The IGST Act regulates the levy and collection of tax on the inter-State supply of goods and services by the Central Government or State Governments. It also includes the import and export of goods and services. The IGST Act mandates every supplier providing the goods or services to be registered within the State or the Union Territory it falls under, within 30 days from the day on which they become liable for such registration.

### ***The Customs Act, 1962 (“Customs Act”)***

The Customs Act regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company requiring to import or export goods is first required to get registered under the Customs Act and obtain an ‘Importer Exporter Code’ in accordance with the Foreign Trade Act. Customs duties are administered by the Central Board of Indirect Tax and Customs under the Ministry of Finance. The Customs Act also provides for the interest on levy of or exemption of customs duty. In accordance with the provisions of the Customs Act, the clearance of imported goods and export does not apply to baggage and goods imported or to be exported by post.

## **GENERAL CORPORATE AND OTHER ALLIED LAWS**

Apart from the above list of laws which are inclusive in nature and not exhaustive, general laws such as the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Transfer of Property Act, 1882, Indian Stamp Act, 1899, the Registration Act, 1908, Sale of Goods Act, 1930, Consumer Protection Act, 1986, the Competition Act, 2002, the Companies Act, 2013, Insolvency and Bankruptcy Code, 2016, as amended, and other applicable laws and regulations imposed by the Central and State Governments and other authorities for our day-to-day business and operations

## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND

Our Company was originally incorporated as "Asston Pharmaceuticals Private Limited", a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated April 16, 2019 issued by Registrar of Companies, Mumbai, Maharashtra. Thereafter, our Company was converted into a public limited company and the name of our Company was changed from "Asston Pharmaceuticals Private Limited" to "Asston Pharmaceuticals Limited" vide fresh certificate of incorporation dated August 29, 2024 issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U24304MH2019PLC324187.

### REGISTERED OFFICE

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date of Change	Details of change in the address of the Registered Office	Reason for change
July 10, 2024	Office No. B-225, Balaji Bhavan, Plot No 42A, Sector-11, CBD Belapur, Navi Mumbai -400614, Maharashtra, India.	For the purpose of administrative convenience.

<b>Present Address of Registered Office</b>	4 <sup>th</sup> Floor, Office No A-431 Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane - 400614, Maharashtra, India.
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### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable 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 object of our Company is:

- To carry on in India or elsewhere the business to manufacture, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil sterilize, improve, extract, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, market, supply of blister pack or bubble pack or sachets for placing capsules, tablets, powders; tubes for ointments, bottles for dry syrups, oral liquids, ingestible, pills, fluids, granules, sprayers, inhalers, mineral waters; droppers, removers, herbal products, their by-products, Intermediates, residues, mixtures and compounds and act as agent, broker, representative, consultant, collaborator, stockiest, liasioner, middlemen, job worker, or otherwise to deal in all types, descriptions, specifications, strengths and applications of pharmaceutical, cosmetics, food products and chemical products of medicaments used for treatment, cure and healthcare of human beings and animals including, basic drugs, intermediaries, tonics, antibiotics, enzymes, Steroids, vitamins, hormones, biological and immunological chemicals, contraceptives, yeasts, diagnostic agents, oils and tinctures.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since incorporation:

Date of the Meeting	Meeting	Nature of Amendment
March 26, 2022	EGM	<b><u>Increased in Authorised Capital</u></b> The Authorized Share Capital was increased from ₹10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹1,00,00,000/- divided into 10,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated March 26, 2022.
June 17, 2024	EGM	<b><u>Alteration in Name clause pursuant to Conversion of Company</u></b> Change in the name clause from " <i>Asston Pharmaceuticals Private Limited</i> " to " <i>Asston Pharmaceuticals Limited</i> ".
September 20, 2024	EGM	<b><u>Increased in Authorised Capital</u></b> The Authorized Share Capital was increased from ₹1,00,00,000/- divided into 10,00,000 Equity Shares of ₹10/- each to ₹11,00,00,000/- divided into 1,10,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated September 20, 2024.

### AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since its inception:



Date of Amendment	Particulars
On Incorporation	Authorized capital as ₹10.00 Lakhs.
March 26, 2022	Increased from ₹ 10.00 Lakhs to ₹100.00 Lakhs
September 20, 2024	Increased from ₹ 100.00 Lakhs to ₹1,100.00 Lakhs

## MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

Year	Key Events/Milestone/ Achievement
2019	Incorporation of our Company viz. “Asston Pharmaceuticals Private Limited” under the guidance and leadership of Dr. Ashish Narayan Sakalkar and Mrs. Saili Jayaram More.
2019	Our Company obtained Trade and Export Licenses for 3 major west African Countries namely Sierra Leone, Ghana and Liberia.
2020	Our Company obtained registered trademarks in both India and abroad for multiple products, enhancing its images as a pharmaceutical brand in late 2020.
2021	Our Company crossed the turnover of 10 cr turnover mark in 2021, less than two years since inception.
2022	Established our Manufacturing unit in Mumbai which is one of our Company’s achievement making us an independent and reliable supplier.
2023	Our Company has successfully ventured into other African countries and is expected to receive registration from Asian markets like Cambodia and Vietnam.
2024	Conversion of our Company from Private Limited to Public Limited Company.

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Business Overview*”, “*Industry Overview*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no. 148, 130 and 213 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on page 185 and 82 respectively of this Draft Red Herring Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, please see the section entitled “*Capital Structure*” and “*Financial Statements as Restated*” on page nos. 82 and 207 respectively of this Draft Red Herring Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS AND CONVERSION OF LOAN INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS OF THE COMPANY

As on the date of this Draft Red Herring Prospectus Our company doesn’t have any Subsidiary Company or Holding Company.

## RAISING OF CAPITAL IN FORM OF EQUITY

For details of increase in equity capital of our company, please refer section “*Capital Structure*” on page 82 of this Draft Red Herring Prospectus.

## INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Red Herring Prospectus.

## MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our Management*” on Page 185 of this Draft Red Herring Prospectus.

## **MATERIAL ACQUISITIONS/AMALGAMATIONS/MERGERS/REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS**

There has been no Material Acquisitions / Amalgamations / Mergers / Revaluation of Assets / Divestment of Business/Undertaking in last ten years.

## **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Draft Red Herring Prospectus, the total numbers of equity shareholders are 104. For more details on the shareholding of the members, please see the section titled “*Capital Structure*” beginning on page 82 of this Draft Red Herring Prospectus.

## **SHAREHOLDERS’ AGREEMENTS**

Our Company has not entered into any shareholder’s agreement as on the date of filing this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Draft Red Herring Prospectus.

## **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any Joint Venture Agreement as on the date of this Draft Red Herring Prospectus.

## **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Draft Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Draft Red Herring Prospectus.

## **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Red Herring Prospectus.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS:**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft 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 Draft 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 Draft Red Herring Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

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 Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) Whole Time Director, 1 (One) Non- Executive Director and 2 (Three) as Non-Executive Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Draft Red Herring Prospectus.

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Dr. Ashish Narayan Sakalkar</b></p> <p><b>DOB:</b> May 30, 1976</p> <p><b>Age:</b> 48 years</p> <p><b>Qualification:</b> Master of Science and PhD</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> C-402, Siddheshwar Palms CHS, Kalyan Shil Road, Desai Naka, Khidkali, Kalyan, Thane - 421 204, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06601011</p> <p><b>Term:</b> Appointed as a Managing Director of the Company for a period of 5 years w.e.f. September 20, 2024.</p>	<p>Appointed as Director of the Company w.e.f. April 16, 2019.</p> <p>Change in designation as a Managing Director of the Company for a period of 5 years w.e.f. September 20, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Ferron Lifecare Private Limited</li> <li>2. Arient Scientific Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>
<p><b>Saili Jayaram More</b></p> <p><b>DOB:</b> July 09, 1970</p> <p><b>Age:</b> 54 years</p> <p><b>Qualification:</b> Bachelor of Science, Diploma in Material Management</p> <p><b>Designation:</b> Whole-time Director and Chief Executive Officer</p> <p><b>Address:</b> 201, Shree Sai Sparsh CHS, Plot No. 240, 5th Road, Sector-21, Nerul Node-3, Nerul, Navi Mumbai- 400706, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 02691527</p> <p><b>Term:</b> Change in Designation as the Chief Executive Officer and Whole-Time Director of the Company for a period of 5 years w.e.f. October 01, 2024.</p>	<p>Appointed as a Director at the time of incorporation of the Company w.e.f. April 16, 2019.</p> <p>Change in Designation as the Chief Executive Officer and Whole-time Director of the Company for a period of 5 years w.e.f. October 01, 2024.</p>	<p><b>Companies:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Sachin Chandrakant Badakh</b></p> <p><b>DOB:</b> August 27, 1987</p> <p><b>Age:</b> 37 years</p> <p><b>Qualification:</b> Bachelor of Pharmacy, Diploma in Pharmacy</p> <p><b>Designation:</b> Non-Executive Director.</p> <p><b>Address:</b> Flat No. 301, Heramb Apartment, B Wing, New D P Road, Swami Samarth Nagar, Badlapur (East) – 421503, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 08685214</p> <p><b>Term:</b> Not Liable to retire by rotation</p>	<p>Appointed as a Non-Executive Director w.e.f. May 17, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>Ferron Lifecare Private Limited</li> <li>Arient Scientific Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>
<p><b>Rishabh Kumar Jain</b></p> <p><b>DOB:</b> January 10, 1998</p> <p><b>Age:</b> 26 years</p> <p><b>Qualification:</b> Bachelor of Commerce and Company Secretary</p> <p><b>Designation:</b> Non-Executive Independent Director.</p> <p><b>Address:</b> Ward No. 24, Dhobi Pada, Gali No. 1, Baraut, Baghpat, Uttar Pradesh – 250611, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10611758</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of 5 years w.e.f September 20, 2024.</p>	<p>Appointed as Non-Executive Independent Director for a period of 5 years w.e.f September 20, 2024.</p>	<p><b>Companies:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>
<p><b>Vijaya E Shahpurkar</b></p> <p><b>DOB:</b> November 29, 1979</p> <p><b>Age:</b> 45 years</p> <p><b>Qualification:</b> Bachelors of Commerce</p> <p><b>Designation:</b> Non-Executive Independent Director.</p> <p><b>Address:</b> 550, New Vaddeem, Near Saibaba Temple, Vasco Mormugao, Panaji, South Goa – 403802, India</p>	<p>Appointed as Non-Executive Independent Director for a period of 5 years w.e.f September 20, 2024.</p>	<p><b>Companies:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<b>Occupation:</b> Professional  <b>Nationality:</b> Indian  <b>DIN:</b> 10767960  <b>Term:</b> Appointed as Non-Executive Independent Director for a period of 5 years w.e.f September 20, 2024.		

## BRIEF PROFILE OF OUR DIRECTORS

**Dr. Ashish Narayan Sakalkar**, aged 48 years is the Managing Director of our Company. He has completed his Master of Science in the year 2001 from the Department of NMU, Jalgaon and PHD from the JJT University and also Diploma in Regulatory Affairs from University of Delhi. He is a Promoter of the Company and was appointed as a director on April 16, 2019. Subsequently, he was appointed as the Managing Director of the company with effect from September 20, 2024 for a period of 5 years. He has a good experience in the field of Industrial Chemistry, Quality Assurance and Regulation. He handles the overall business operations of the company and mainly focuses on business expansion, customer acquisition and negotiation with suppliers.

He possesses a plethora of experience in the field of Quality Assurance and Regulation through his **previous** roles in the bioequivalent department. His deep rooted experience is backed by his strong educational qualifications with a PhD and an MSc in Industrial Chemistry. He has spent the last 5 years focusing on the development of our manufacturing unit as well as taken care of quality regulations ensuring client retention.

**Saili Jayaram More**, aged 54 years, is the Whole Time Director and Chief Executive Officer (CEO) of our Company. She did Bachelor of Science from University of Bombay in year 1990 and completed Diploma in Material Management. She is a Promoter of the company and was appointed as a Director upon incorporation of the Company w.e.f. April 16, 2019 and subsequently, she was appointed as the Whole Time Director and CEO of the company with effect from October 01, 2024 for a period of 5 years. She has overall experience of above 20 years and previously worked with USV Limited as Deputy General Manager in Supply Chain (Procurement). She continues to utilize her experience from participating in Cost effectiveness programs to ensure our Company's growth.

She has consolidated an experience of over 25+ years in different leadership roles, previously in a large Indian multinational and now here. Equipped with a degree in Chemistry solidified by her further education in Materials Management, She possesses expertise in supply chain management and continues to utilize her experience from participating in cost effectiveness programs to ensure the company's growth. The last four years have seen company succeed in marketing both generic and brand name medicines across continents without any disruptions to the supply chain.

**Sachin Chandrakant Badakh**, aged 37 years is one of the Promoter and was appointed as Non-Executive Director of the Company w.e.f. May 17, 2024. He is a Bachelor of Pharmacy from the University of Mumbai and also completed diploma in Pharmacy. He possesses above 10 years of experience in Pharmaceutical industry and specialised in preparing dossiers suited perfectly to the client and contributing in development, implementation of comprehensive regulatory compliances strategy.

He has been the backbone of technical development at our Company. Although the youngest member on the board, he has already amassed an experience of over 10 years in the industry. He specializes in preparing dossiers suited perfectly to the client and country regulations and contribute in developing, implementation of comprehensive Regulatory compliance strategy to meet global market requirement for our products to ensure alignment with our overall business strategy. He also plays a vital role in developing new manufacturing unit as well. He is excited to find newer opportunities for business and looks forward to making our Company a global company.

**Rishabh Kumar Jain**, aged 26 years, is the Non-Executive Independent Director of our Company. He has completed Bachelor of Commerce from Ch. Charan Singh University, Meerut in the year 2017. He is also a Member of Institutes of Company Secretaries of India. He was appointed as the Non-Executive Independent Director of the company with effect from September 20, 2024 for a period of 5 years. He is practicing in Rishabh J & Associates from last 3 years. He brings to the Company his work experience in the field of corporate laws, securities laws and corporate governance to guide the Company towards development in the industry.

**Vijaya E Shahpurkar**, aged 44 years, is the Non-Executive Independent Director of our Company. She has completed Bachelor of Commerce from Goa University in the year 2000 and also completed Certification course in Trading and Investment. She was appointed as the Non-Executive Independent Director of our Company with effect from September 20, 2024 for a period of 5 years. She has overall experience of above 15 years in Accounts. She has worked with various organizations and has experience in the field of Accounts.

## CONFIRMATIONS

As on date of this Draft Red Herring Prospects:

- 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.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a willful defaulter or a fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a promoters or director 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.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.
- None of the Directors and KMPs are related to the Book Running Lead Manager appointed for this Issue in any manner.

## DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on September 20, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, with or without security, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of 20,000 Lakhs.

## REMUNERATION / COMPENSATION TO OUR DIRECTORS

### Dr. Ashish Narayan Sakalkar

Dr. Ashish Narayan Sakalkar, was appointed as the Director of the Company on April 16, 2019. Subsequently, his designation was changed to the Managing Director of our Company in the Board Meeting dated August 26, 2024, and in the Extra Ordinary Meeting dated September 20, 2024 of the Company for a period of five years. The details of his remuneration for a period of 5 years are as stated below:

### SALARY & OTHER BENEFITS:

<b>Tenure of Remuneration</b>	Five (5) years with effect from September 20, 2024.
<b>Salary inclusive of all allowance and incentives</b>	₹2,50,200/- (Rupees Two Lakh Fifty Thousand Two-Hundred Only) per month. The Managing Director shall be entitled to such increment from time to time as the board may by its discretion determine subject to the limit set out in Schedule V of Companies Act, 2013.

<b>Other benefits</b>	The director shall be entitled to reimbursement of expenses as decided by the Board of Directors of the Company from time to time.
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year shall not exceed the limit set out under section 197 and 198 read with Schedule V and other applicable provision of companies act 2013 or any other modification or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.  Provided that where in any financial year, the company has no profit or its profit are inadequate, the company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Chairman and Managing Director as and by way of minimum remuneration, subject to applicable provision of Schedule V of the act and the approval of the central Government, if required or any other approval as may be required under law.

### Saili Jayaram More

Saili Jayaram More was the Director of the Company since the time of incorporation i.e., April 16, 2019. Thereafter, her designation was changed and he was appointed as the Whole Time Director in the Board Meeting dated September 06, 2024 and CEO of our Company in the Board Meeting dated October 01, 2024, and in the Annual General Meeting dated September 30, 2024 of the Company for a period of five years. The details of his remuneration for a period of five years, are as stated below:

### SALARY AND OTHER BENEFITS:

<b>Tenure of Remuneration</b>	Five (5) years with effect from October 01, 2024.
<b>Salary inclusive of all allowance and incentives</b>	₹2,50,200/- (Rupees Two Lakh Fifty Thousand Two-Hundred Only) per month. The Whole-Time Director shall be entitled to such increment from time to time as the board may by its discretion determine subject to the limit set out in Schedule V of Companies Act, 2013.
<b>Other benefits</b>	The director shall be entitled to reimbursement of expenses as decided by the Board of Directors of the Company from time to time.
<b>Minimum Remuneration</b>	The aggregate of the remuneration and perquisites as aforesaid, in any financial year shall not exceed the limit set out Under Section 197 and 198 read with Schedule V and other applicable provision of Companies Act, 2013 or any other modification or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.  Provided that where in any financial year, the company has no profit or its profit are inadequate, the company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole-time Director as and by way of minimum remuneration, subject to applicable provision of Schedule V of the act and the approval of the Central Government, if required or any other approval as may be required under law.

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, for the time being in force).

Remuneration paid for F.Y. 2023-24, the directors have been paid gross remuneration as follows:

(₹ in Lakh)

Sr. No	Name of the Director	Remuneration paid
1.	Dr. Ashish Narayan Sakalkar*	2,50,200
2.	Saili Jayaram More**	2,50,200
	<b>Total</b>	

\* Change in designation to Managing Director of the Company w.e.f. September 20, 2024.

\*\* Change in designation to Whole-time Director and CEO of the Company w.e.f. October 01, 2024.

### SITTING FEES

Pursuant to the Resolution passed by the Board of Directors of our Company on August 26, 2024, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹10,000/- for attending every meeting of Board and committees thereof.

## REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATES

As on the date of this Draft Red Herring Prospectus, we do not have any other Subsidiary.

## PAYMENT OF BENEFITS (NON-SALARY RELATED)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

## BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

None of the Directors are party to any bonus or profit-sharing plan of our Company.

## SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our Directors as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Capital	% of Post-Issue Capital
1.	Dr. Ashish Narayan Sakalkar	18,52,856	29.54%	[●]
2.	Saili Jayaram More	18,52,856	29.54%	[●]
3.	Sachin Chandrakant Badakh	6,25,968	9.98%	[●]

## INTEREST OF OUR DIRECTORS

All our directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof payable to them.

Further our directors may be deemed to be interested to the extent of shareholding held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For the shareholding of the Directors, please refer chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

Further, relatives of certain of our directors are also shareholders and / or employees of our Company and may be deemed to be interested to the extent of the payment of remuneration made by our Company and dividends declared on the Equity Shares held by them, if any. For the payments that are made by our Company to such relatives of the Directors, see “*Restated Standalone Financial Statements – Annexure 28- Related Party Transactions*” beginning on page 207 of this Draft Red Herring Prospectus.

Except mentioned in the Restated Financial Statements, no loans have been availed or extended by our directors from or to, our Company. No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

Except as stated in the heading titled “*Properties*” under the chapter titled “*Business Overview*”, beginning on page 148 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in the chapter titled “*Business Overview*” and “*Restated Financial Statements*” beginning on page 148 and 207 of this Draft Red Herring Prospectus respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Except Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.



## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

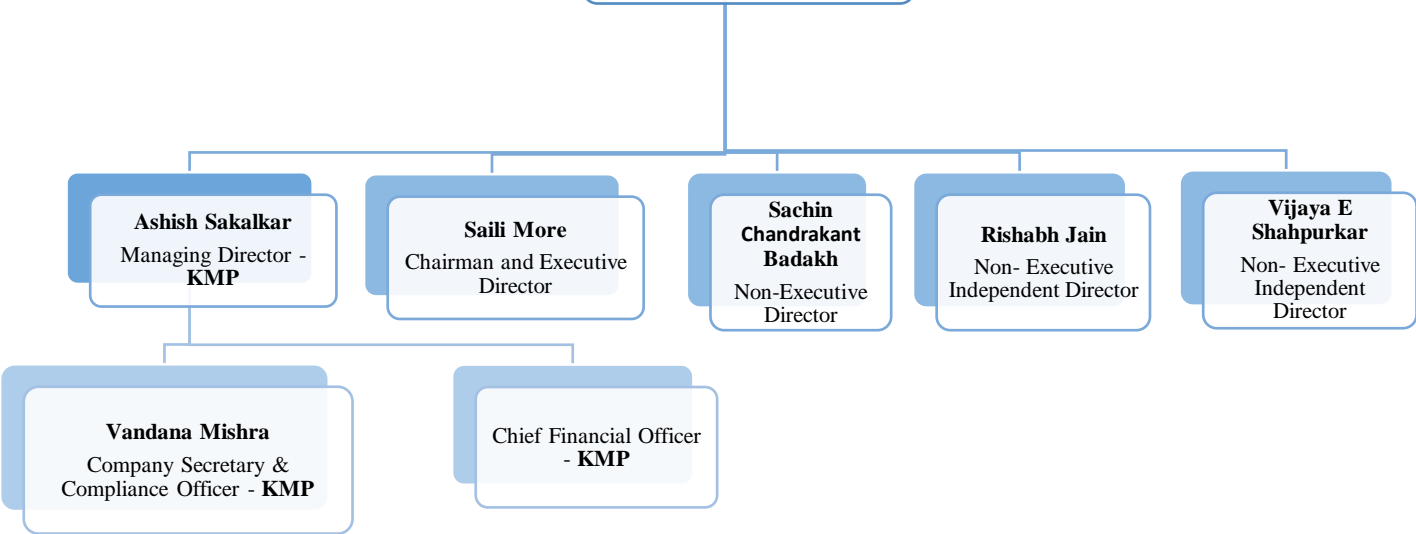
- Policy on Code of Conduct for Directors and Senior Management.
- Policy of Audit Committee.
- Policy of Nomination and Remuneration Committee.
- Policy of Stakeholder Relationship Committee.
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information.
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading.
- Policy on Whistle Blower and Vigil Mechanism.
- Policy on Related Party Transactions (RPT).
- Policy for Preservation of Documents and Archival of Documents.
- Policy for Prevention of Sexual Harassment.
- Policy on Materiality for Disclosures of events to Stock Exchanges.
- Policy on Code of Independent Directors and Familiarization of Independent Director.
- Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment/Change in Designation	Reason for Change
1.	Sachin Chandrakant Badakh	May 17, 2024	Appointment as Non-Executive Director
2.	Dr. Ashish Narayan Sakalkar	September 20, 2024	Change in Designation to Managing Director of our Company.
3.	Rishabh Kumar Jain	September 20, 2024	Appointed as Non-Executive Independent Director of our Company.
4.	Vijaya E Shahapurkar	September 20, 2024	Appointed as Non-Executive Independent Director of our Company.
5.	Saili Jayaram More	October 01, 2024	Appointed as the Whole-time Director and Chief Executive Director of the Company of our Company.

## ORGANISATION STRUCTURE

**Organisation Structure**



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## CORPORATE GOVERNANCE

We are in compliance with the requirements of the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. Further, conditions of corporate governance as stipulated in Regulation 17 to 27 of the SEBI LODR Regulations is not applicable to our company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations. Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has 5 (Six) Directors on the Board, 1 (One) as Managing Director, 1 (One) Whole Time Director, 1 (One) Non- Executive Director and 2 (Two) as Non-Executive Independent Directors.

## COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has four (4) committees which have been constituted/ re-constituted in accordance with the relevant provisions of the Companies Act: (i) Audit Committee, (ii) Stakeholders' Relationship Committee, (iii) Nomination and Remuneration Committee, and (iv) Internal Complaints Committee.

### Audit Committee.

Our Board has constituted the Audit Committee *vide* Board Resolution dated October 01, 2024 which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Rishabh Kumar Jain	Non-Executive Independent Director	Chairperson
Ms. Vijaya Eknath Shahapurkar	Non-Executive Independent Director	Member
Mr. Sachin Chandrakant Badakh	Non Executive Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

### **A. Powers of Audit Committee**

The Audit Committee shall have the following power

1. Investigate any activity in the Company within its terms of reference.
2. Seek any information that is required from any employee of the Company, and all employees have been directed to cooperate with any request made by the Audit Committee.
3. Obtain outside legal or independent professional advice.
4. Invite other Directors, Officers of the Company/ subsidiary company(ies), representative of Internal Auditor, Statutory Auditor, or any other person to attend any meeting of the Audit Committee as 'Invitee' from time to time, as and when required.
5. Delegate any function as mentioned in Clause 4 above to one or more sub-Committee(s), employee(s), officer(s), representative(s), consultant(s), professional(s), agent(s) etc., whenever.

### **B. Role of the Audit Committee**

The role of the audit committee shall include the following:

1. changes, if any, in accounting policies and practices and reasons for the same;
2. major accounting entries involving estimates based on the exercise of judgment by management;
3. significant adjustments made in the financial statements arising out of audit findings
4. compliance with listing and other legal requirements relating to financial statements;

5. disclosure of any related party transaction and key roles & responsibilities of the Audit Committee shall, inter-alia, include the following:
6. Financial Statements
  - Oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible.
  - Review, with the management, the quarterly financial statements before submission to the Board for approval.
  - Review, with the management, the Annual Financial Statements and Auditor's Report thereon, before submission to the Board for approval, with particular reference to the following:
  - matters required to be included in the Director's responsibility statement, included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013; and (vii) modified opinion(s) in the draft audit report.
7. Review of: management discussion and analysis of financial condition and results of operations; the financial statements, in particular the investments, if any, made by unlisted subsidiary companies.
8. Auditors and Audit: Consider and recommend to the Board, the appointment (including filling of a casual vacancy), resignation, dismissal, remuneration and terms of appointment (including others):
9. Approve the appointment, re-appointment & removal of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
10. Appointment of Registered Valuer and fixation of terms & conditions in relation thereto.
11. Prior approval of all transactions with related party(ies), subsequent modifications (including material modifications) of transactions with related parties and review of the statement of related party transactions with specific details of the transactions.
12. Monitor and review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), quarterly statement of deviations, if any, 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.
13. Review and scrutinize the inter-corporate loans & investments.

***Meeting of Audit Committee and Relevant Quorum.***

1. The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two consecutive meetings.
2. The quorum for the meeting of Audit Committee shall be two members or one third of the total members of Audit Committee, whichever is greater, subject to presence of at least two Independent Directors.
3. The Chairperson of the Audit Committee shall, after Audit Committee meeting, brief the Board on discussions and decisions at such meeting in summary form.

**Stakeholders' Relationship Committee.**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated October 01, 2024 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Sachin Chandrakant Badakh	Non-Executive Director	Chairperson
Ms. Vijaya Eknath Shahapurkar	Non-Executive Independent Director	Member
Mr. Rishabh Kumar Jain	Non-Executive Independent Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Approval of issue of duplicate certificates for securities and transmission of securities.
2. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
6. Oversee the statutory compliance relating to all securities including dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
7. Review of movements in shareholding and ownership structures of the Company.
8. Conduct a Shareholder Satisfaction Survey to judge the level of satisfaction amongst shareholders.
9. Suggest and drive implementation of various investor-friendly initiatives.
10. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification amendment or modification as may be applicable.

#### **Meeting of Stakeholders' Relationship Committee and Relevant Quorum**

1. The Committee shall meet at least once in a year or as an when required. However, 2 to 3 meetings during the year are recommended.
2. The Committee may invite company executives, R&T agency officers and Securities Auditors basis an invite from the Committee Chairman.
3. While invitees to the Committee shall have a right to be heard in the meetings, they shall not have a right to vote. The right to vote shall vest only with the members of the Committee.

#### **Nomination and Remuneration Committee.**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated October 01, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Vijaya Eknath Shahapurkar	Non-Executive Independent Director	Chairperson
Mr. Rishabh Kumar Jain	Non-Executive Independent Director	Member
Mr. Sachin Chandrakant Badakh	Non-Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. assist the Board in discharging its responsibilities relating to compensation of the Company's directors and key managerial personnel;
2. evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for Company's executive directors and senior management (including recommending to the Board the appointment and removal of senior

management;

3. formulate the criteria for determining qualifications, positive attributes and independence of a director and for performance evaluation of independent directors on the Board;
4. oversee the Company's nomination process for the top level management and identify, screen and review individuals qualified to serve as executive directors, non-executive directors, independent directors and senior management consistent with criteria approved by the Board;
5. recommend appointment and removal of directors to the Board, for approval at the annual meeting of shareholders;
6. carry out evaluation of the performance of the Board ;
7. recommend to the Board a policy, relating to the remuneration of the Company's directors, key managerial personnel and other employees;.

The purpose and responsibilities of the committee shall include such other items as may be prescribed by applicable law or by the Board in compliance with applicable law from time to time.

### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

1. The committee shall meet at least four times a year at such times and places as it deems necessary to fulfill its responsibilities.
2. The committee is governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board.
3. The committee shall make regular reports to the Board regarding its actions and make recommendations to the Board as appropriate.
4. The committee shall prepare such reports as may be required by any law, rule or regulation to which the Company is subject.
5. The committee may invite such members of management to its meetings as it deems appropriate. However, the committee shall meet regularly without such members present, and the MD and any other such officers shall not be present at meetings at which their compensation or performance is discussed or determined

### **Internal Complaint Committee.**

This policy has been framed in accordance with the provisions of “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” and rules framed thereunder (hereinafter “the Act”). Accordingly, while the policy covers all the key aspects of the Act, for any further clarification reference shall always be made to the Act and the provisions of the Act shall prevail. If any aspect relating to sexual harassment not explicitly covered in this policy is provided for by the law, then the law will be applicable. In case of any conflict between the policy and the law, the law will prevail. This policy provides protection against sexual harassment of women at workplace and the prevention and redressal of complaints of sexual harassment and matters related to it.

The Internal Complaint Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Saili Jayram More	WTD & CEO	Presiding Officer
Ms. Pragya Jain	Practicing Company Secretary	External Member
Ms. Poonam Sawant	Production Co-ordinator	Member
Ms. Roshni Shelar	Packing Department	Member
Ms. Rohini Sawant	Packing Department	Member

The scope of Internal Complaint Committee shall include but shall not be restricted to the following:

This Policy extends to all employees of the Company and is deemed to be incorporated in the service conditions of all employees of the Company in India. Local country laws will take precedence over this policy, in other geographies, if applicable

### **KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

#### Key Managerial Personnel of our Company:

Dr. Ashish Narayan Sakalkar is the Managing Director of the Company and Sali Jayaram More is the Whole Time Director and Chief Executive Officer of the Company. For detailed profile, see para, “Brief Profile of our Directors” beginning on page no.200 of this Draft Red Herring Prospectus.

**Vandana Mishra**, aged 35 years, is the Company Secretary and Compliance Officer of our Company with effect from September 20, 2024. She has completed Company Secretary Course by the Institute of Companies Secretaries of India and became an Associate member of the Institute of Companies Secretaries of India in the year 2021. She has 2 years of experience in the fields of Statutory and Regulatory Compliance. She was previously working with M V Marketing and Sales Pvt Ltd as Executive – Company Secretary. Being the Company Secretary and Compliance Officer of the Company, she is responsible for looking after the compliance of the company and guiding the Board of Directors with respect to various applicable laws.

**Deven Manohar Patil**, aged 29 years, is the Chief Financial Officer (CFO) of our Company. He has been associated with our company since October 20, 2024. He is having around 6 (six) years of experience as Senior Accountant and audit assistant from May 02, 2018 to October 19, 2024 in C.M. Sane & Co. Chartered accountants. As the CFO of our company, he oversees critical activities such as financial planning, cash flow management, and risk mitigation to align financial strategies with the company’s goals. His responsibilities include producing timely financial reports, advising on strategic decisions like market expansion and investment opportunities, and ensuring regulatory compliance. By managing the company’s capital structure and leveraging scenario modeling, he contributes to its financial health and long-term success.

#### Senior Managerial Personnel of our Company:

In addition to the above, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Draft Red Herring Prospectus are set forth below:

**Poonam Sawant**, aged 30 years, is the Supply chain Incharge of our company. She has been associated with our Company since Dec -2023. She is looking after the purchase of raw materials/ Packaging materials required at variance manufacturing location on a day to day basis. She also takes care of logistics in Supply chain, documentation required for container clearance procedure in customs.

**Satyajit R Mahajan**, aged 45 years, is the Head Production of our Company. He holds Bachelor of pharmacy degree from Pune University and is having experience in this industry for more than 15 years. He has been associated with our company since January, 2024. He is in charge of operational oversight, customer relationship management and continuous improvement and innovation to drive business success and adapt to changing market conditions and is also responsible for overseeing the success of the manufacturing within the company. His role involves planning, coordinating, and controlling the manufacturing processes to ensure that goods are produced efficiently, on time, within budget, and to the required quality standards. He also oversee training, managing, and motivation of the production team, monitor production schedules, and implement process improvements to increase productivity safely and within budget.

#### STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

All our Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

#### RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

None of the Directors, Key Managerial Personnel and Senior Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013. Furthermore, none of the Key Managerial Personnel and Senior Managerial Personnel of our Company are not related to the Book Running Lead Manager appointed for this Issue in any manner.

#### SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

Except as mentioned below, none of the Key Managerial Personnel and Senior Managerial Personnel of our Company hold any shares in the Company:

Sr. No.	Name of the Director	Designation	No. of Equity Shares	% of Pre-issue Capital	% of Post-Issue Capital
1.	Dr. Ashish Narayan Sakalkar	Managing Director.	18,52,856	29.54	[●]

Sr. No.	Name of the Director	Designation	No. of Equity Shares	% of Pre-issue Capital	% of Post-Issue Capital
2.	Saili Jayaram More	Whole Time Director, & Chief Executive Officer	18,52,856	29.54	[●]

#### SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

Our Key Managerial Personnel or Senior Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

#### INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

None of our Key Management Personnel or Senior Managerial Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares in future.

#### ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Managerial Personnel of our Company.

#### BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

There is no profit-sharing plan for the Key Managerial Personnel or Senior Managerial Personnel. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

#### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Managerial Personnel, which form part of their remuneration.

#### EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

#### PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

#### CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus are set forth below:

Name	Designation	Date of Appointment/ Change in designation	Reason for Change
Dr. Ashish Narayan Sakalkar	Managing Director	September 20, 2024	Change in Designation to Managing Directors of our Company.
Vandana Mishra	Company Secretary and Compliance Officer	September 20, 2024	Appointed as Company Secretary and Compliance Officer of our Company.
Saili Jayaram More	Whole Time Director & CEO	October 01, 2024	Change in Designation to Whole Time Director and CEO of our Company.
Mr. Deven Manohar Patil	Chief Financial Officer	November 01, 2024	Appointed as Chief Financial Officer of our Company.



## ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

The attrition of Key Managerial Personnel and Senior Managerial Personnel is not high in our Company compared to the industry.

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## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS


The Promoters of our Company are Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh.

As on the date of this Draft Red Herring Prospectus, our Promoters holds in aggregate 18,52,856 Equity Shares of face value ₹10/- each, representing 86.45% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

For details, see the section “Capital Structure - Details of Shareholding of our Promoters and members of the Promoter Group in the Company” beginning on page 82 of this Draft Red Herring Prospectus.

### BRIEF PROFILE OF OUR PROMOTERS IS AS FOLLOWS:

	<b>Dr. Ashish Narayan Sakalkar (Managing Director)</b>	
	Qualification	Master of Science and PhD
	Date of Birth	May 30, 1976
	Age	48 Year
	Address	C-402, Siddheshwar Palms CHS, Kalyan Shil Road, Desai Naka, Khidkali, Kalyan, Thane - 421 204, Maharashtra, India.
	Experience	18 years
	Occupation	Business
	Permanent Account Number	AUSPS2933G
	Passport Number	Z7796361
	License Number	MH0520090002763
	No. of Equity Shares held in [% of Shareholding (Pre-Issue)]	18,52,856 Equity Shares of face value ₹10/- each, representing 29.54%.
	DIN	06601011
	Other Interests	1. Ferron Lifecare Private Limited 2. Arient Scientific Private Limited
		<b>Saili Jayaram More, Whole-Time Director &amp; Chief Executive Officer</b>
Qualification		Bachelor of Science and Diploma in Material Management
Date of Birth		July 09, 1970
Age		54 years
Address		201, Shree Sai Sparsh CHS, Plot No. 240, 5th Road, Sector-21, Nerul Node-3, Nerul, Navi Mumbai- 400 706, Maharashtra, India
Experience		20 years
Occupation		Business
Permanent Account Number		AEQPM5412A
Passport Number		C2263469
License Number		MH0420010021967
No. of Equity Shares held in [% of Shareholding (Pre-Issue)]		18,52,856 Equity Shares of face value ₹10/- each, representing 29.54%.
DIN		02691527
Other Interests	NIL	
	<b>Sachin Chandrakant Badakh, Promoter</b>	
	Qualification	Bachelor of Pharmacy, Diploma in Pharmacy
	Date of Birth	August 27, 1987
	Age	37 Years

	<b>Address</b>	Flat No. 301, Heramb Apartment, B Wing, New D P Road, Swami Samarth Nagar, Badlapur (East) – 421503, Maharashtra, India
	<b>Experience</b>	10 years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	ASDPB3022C
	<b>Passport Number</b>	NA
	<b>License Number</b>	MH0520090038094
	<b>No. of Equity Shares held in [% of Shareholding (Pre-Issue)]</b>	625968 Equity Shares of face value ₹10/- each, representing 19.50%.
	<b>DIN</b>	08685214
	<b>Other Interests</b>	NA

## DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Aadhar Card Number, Driving License Number, Bank Account Details and Passport Number of our Promoter shall be submitted with the Stock Exchange at the time of filing this Draft Red Herring Prospectus.

## UNDERTAKING

None of our Promoter 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;
- 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 Promoter, Group Company and Company promoted by the promoter 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 Promoter, Group Company and Company promoted by the promoters since incorporation;
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoter are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 223 of this Draft Red Herring Prospectus;
- None of our Promoters, person in control of our Company are or have ever been a promoter, 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.

## OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in this section “*Our Promoter and Promoter Group*” beginning on page 200 of this Draft Red Herring Prospectus, our Promoter is not involved in any other ventures.

## CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any effective change in the control of our Company in the since incorporation till the date of this Draft Red Herring Prospectus and except otherwise stated in the chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus, there has been no change in the management of our Company.

## INTEREST OF PROMOTERS

### *Interest in Promotion of our Company*

Our Company is promoted by Dr. Ashish Narayan Sakalkar, Saili Jayaram More and Sachin Chandrakant Badakh who hold an aggregate of 18,52,856 Equity Shares of face value ₹10/- each, representing 86.45% of the pre-issued, subscribed and paid-up Equity Share capital of our Company as of the date of this Draft Red Herring Prospectus.

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings in our Company and/or the shareholding of their relatives in our Company and/or employment related benefits paid by our Company i.e., remuneration and reimbursement of expenses payable to the individual promoters in such capacities. For further details in this regard, please refer chapter titled “*Capital Structure*” and “*Our Management*” beginning on page 82 and 185 respectively of this Draft Red Herring Prospectus.

#### ***Interest in the properties, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled “*Business Overview*” and “*Restated Financial Statements*” beginning on page 148 and 207 respectively of this Draft Red Herring Prospectus, neither of our Promoters have any other interest in any property acquired or proposed to be acquired by our Company in the period of 2 (two) years before filing of this Draft 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.

#### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in chapters “*Restated Financial Statements*” beginning on page 207 of this Draft Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Draft Red Herring Prospectus or intended to be paid or given to any Promoter or member of our Promoter Group and no consideration for payment of giving of the benefit.

#### ***Interest in our Company other than as Promoters***

Except as mentioned in this chapter and chapters titled “*Business Overview*”, “*History and Corporate Structure*”, “*Our Management*” and “*Restated Financial Statements*” beginning on page 148, 182, 185 and 207 respectively, our Promoters do not have any other interest in our Company

#### ***Other ventures of our Promoters***

Most of our Promoters are also the Director on the board, or is a shareholder, member or partner, and other entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group and such other entities. For the payments that are made by our Company to certain entities forming part of the Promoter Group and other related parties, see “*Summary of Issue Document*” and “*Our Group Company*” beginning on page 21 and 206 respectively of this Draft Red Herring Prospectus.

### **INTEREST OF DIRECTORS**

For further details, please refer Chapter “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

### **INTEREST OF GROUP COMPANY**

For further details, please refer Chapter “*Our Group Company*” beginning on page 206 of this Draft 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, see Chapter titled “*Business Overview*” and “*Our Management*” beginning on page 148 and 185 respectively of this Draft Red Herring Prospectus.

### **RELATED PARTY TRANSACTIONS**

For the transactions with our Group Company, please refer to chapter titled “*Restated Financial Statements- Annexure – 28- Related Party Transactions*” beginning on page 207 of this Draft Red Herring Prospectus.

### **OUTSTANDING LITIGATION INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 223 of this Draft Red Herring Prospectus.

### **MATERIAL GUARANTEES**

Except as stated in the chapter titled and chapter titled “*Restated Financial Statements*” beginning on page 207 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### **COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE (3) YEARS**

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Red Herring Prospectus.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, is as under:

### A. Individuals related to our natural Individual Promoters:

PROMOTER	DR. ASHISH NARAYAN SAKALKAR
<b>Relationship with Promoter</b>	
<b>Father</b>	Narayan Shankar Sakalkar
<b>Mother</b>	Vasudha Narayan Sakalkar
<b>Spouse</b>	Vishakha Ashish Sakalkar
<b>Brother(s)</b>	Bhushan Narayan Sakalkar
<b>Sister(s)</b>	Ashwini Prashant Kulkarni
<b>Son(s)</b>	N.A.
<b>Daughter(s)</b>	Girija Ashish Sakalkar
<b>Spouse's Father</b>	Vishwanath Narayan Deshpande
<b>Spouse's Mother</b>	Shyamala Vishwanath Deshpande
<b>Spouse's Brother(s)</b>	Chandrashekar Vishwanath Deshpande
<b>Spouse's Brother(s)</b>	Shripad Vishwanath Deshpande
<b>Spouse's Sister(s)</b>	N.A.

PROMOTER	SAILI JAYARAM MORE
<b>Relationship with Promoter</b>	
<b>Father</b>	Rajaram Kashiram Nalawade
<b>Mother</b>	Aruna Rajaram Nalawade
<b>Spouse</b>	Jayaram Dattaram More
<b>Brother(s)</b>	Prashant Rajaram Nalawade
<b>Sister(s)</b>	Anushka Anil Sawant
<b>Sister(s)</b>	Sneha Suhas Shinde
<b>Sister(s)</b>	Akshata Avinash Salvi
<b>Son(s)</b>	Raj Jayaram More
<b>Son(s)</b>	Aaryan Jayaram More
<b>Daughter(s)</b>	
<b>Spouse's Father</b>	Dattaram Kashinath More
<b>Spouse's Mother</b>	Indira Dattaram More
<b>Spouse's Brother(s)</b>	Baliram Dattaram More
<b>Spouse's Brother(s)</b>	Shreeram Dattaram More
<b>Spouse's Sister(s)</b>	Surekha Ravindra Kadam

PROMOTER	SACHIN CHANDRAKANT BADA KH
<b>Relationship with Promoter</b>	
<b>Father</b>	Chandrakant Sukhdeo Badakh
<b>Mother</b>	Mandakini Chandrakant Badakh
<b>Spouse</b>	Kalyani Sachin Badakh
<b>Brother(s)</b>	N.A.
<b>Sister(s)</b>	Suvarna Vaibhav Shete
<b>Son(s)</b>	Deepali Rajesh Gunjal
<b>Daughter(s)</b>	N.A.
<b>Spouse's Father</b>	Ashok Laxman Kale
<b>Spouse's Mother</b>	Lata Ashok Kale
<b>Spouse's Brother(s)</b>	N.A.
<b>Spouse's Sister(s)</b>	Urmila Ashok Kale
<b>Spouse's Sister(s)</b>	Supriya Ashok Kale

### 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.	NA
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).	NA
3.	Any Body corporate in which a group of individuals or companies or combinations thereof acting in concert, which hold 20% or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds 20% or more of the equity share capital of the issuer and are also acting in concert.	NA

**C. In case promoter is an Individual:**

*i. Dr. Ashish Narayan Sakalkar:*

Sr. No.	Nature of Relationship	Name of the Entities / Company
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.	NA
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
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%.	NA

*ii. Sali Jayaram More:*

Sr. No.	Nature of Relationship	Name of the Entities / Company
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.	NA
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
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%.	NA

*iii. Sachin Chandrakant Badakh:*

Sr. No.	Nature of Relationship	Name of the Entities / Company
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.	NA
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
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%.	NA

**D. All persons whose shareholding is aggregated under the heading “shareholding of the Promoter Group”:**

The following person’s 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:

Name of the Promoters	Name of the Relative	Relationship	No of Shares Held
NIL	N.A.	N.A.	N.A

## **DIVIDEND POLICY**

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Article of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal 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. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 28 of the Draft Red Herring Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared any dividend in last three years from date of this Draft Red Herring Prospectus.

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## OUR GROUP COMPANY

In accordance with Sections 2(1)(t) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Group Company shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the Company.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated December 25, 2024 our Group Company includes:

- (i) Those companies disclosed as related parties in accordance with Accounting Standards (“**AS 18**”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such companies which are deemed to be material by the Board of Directors.

No company which is considered material by the Board of Directors of our Company to be identified as Group Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years. It is pertinent to note that the manufacturing equipments are purchased by ASSTON pharmaceuticals pvt ltd on April 1st April 2024 and “Asston Pharmaceuticals Private Limited” was subsequently converted into a limited company named as “Asston Pharmaceuticals Limited” on 29<sup>th</sup> August 2024.



**SECTION VII – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1.	Restated Financial Statements.	F 1-F 45

# Doshi Doshi & Co

Chartered Accountants

A908, 9<sup>th</sup> Floor, Venus Stratum,  
West Wing, Venus Grounds,  
Nehrunagar, Ahmedabad – 380015  
Phone :- +91 91674 04303  
Email :- [chintan@ddco.in](mailto:chintan@ddco.in)

**'Independent Auditor's Report on the Restated Statement of Assets and Liabilities as on 30<sup>th</sup> November, 2024, 31<sup>st</sup> March 2024, 2023 and 2022, Restated Statement of Profit and Loss and Restated Statement of Cash Flows for each of the period/years ended on 30<sup>th</sup> November, 2024, 31<sup>st</sup> March 2024, 2023 and 2022 of Asston Pharmaceuticals Limited (collectively, the "Restated Summary Statements")**

To,  
**The Board of Directors,**  
**Asston Pharmaceuticals Limited**  
4th Floor Office No. A – 431 Balaji Bhavan,  
Plot No 42A Sector – 11 CBD Belapur,  
Navi Mumbai, Thane,  
Maharashtra - 400614India

Dear Sir/Ma'am

1. We have examined the attached Restated Financial Information of Asston Pharmaceuticals Limited (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at November 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the eight months ended November 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on December 10, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").

These restated Summary Statement have been prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Mumbai and the SME Platform of BSE Limited (BSE SME) in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and



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Email :- [chintan@ddco.in](mailto:chintan@ddco.in)

maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 10, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from: -
  - a. Audited Special Purpose Interim Financial Statements of the Company for the eight months ended November 30, 2024 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on December 05, 2024.
  - b. Audited financial statements of the company as at and for March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on 06 September, 2024, 11 September 2023 and 10 September 2022 respectively.
5. We have audited the special purpose financial information of the Company for the year ended March 31, 2024 prepared by the Company in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 05 December 2024 for the special



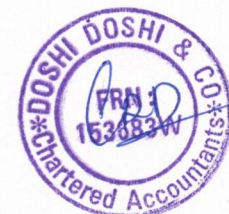
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purpose financial information to the Board of Directors who have approved these in their meeting held on 05 December 2024.

6. For the purpose of our examination, we have relied on:
  - a. Auditors' Report issued by us dated 10 December 2024 and 05 December 2024 on the financial statements of the Company as at and for the eight months ended November 30, 2024 and as at and for the year ended on March 31, 2024 respectively as referred in paragraph 4 and 5 above.
  - b. Auditors' Report issued by previous auditors dated 11 September 2023 and 10 September 2022 on the financial statements of the company as at and for the year ended on March 31, 2023 and March 31, 2022 respectively as referred in Paragraph 4(b) above.
7. Based on our examination and according to the information and explanations given to us, we report that:
  - a. The "**Restated Summary Statement of Assets and Liabilities**" as set out in **Annexure 1** to this report, of the Company as at and for the eight months ended on November 30, 2024, as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - b. The "**Restated Summary Statement of Profit and Loss**" as set out in **Annexure 2** to this report, of the Company as at and for the eight months ended on November 30, 2024, as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - c. The "**Restated Summary Statement of Cash Flow**" as set out in **Annexure 3** to this report, of the Company as at and for the eight months ended on November 30, 2024, as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and



more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.

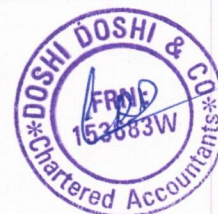
- d. The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
  - f. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - g. There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the eight months ended on November 30, 2024 and as at and for the year ended on March 31, 2024, March 31, 2023 and March 31, 2022, which would require adjustments in this Restated Financial Statements of the Company;
  - h. 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 4** to this report;
  - i. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements expect for change in depreciation method from WDV to SLM.
  - j. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - k. The Company has not declared dividend during the period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the eight months ended on November 30, 2024, as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus.

**Annexure of Restated Financial Statements of the Company: -**

- a. Restated Summary Statement of Assets and Liabilities in Annexure 1;
- b. Restated Summary Statement of Profit and Loss in Annexure 2;



- c. Restated Summary Statement of Cash Flows in Annexure 3
- d. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
- e. Reconciliation of Restated Profit and Loss as appearing in Annexure 4 to this report.
- f. Reconciliation of Restated Equity/Net worth as appearing in Annexure 4 to this report.
- g. Details of Share Capital as Restated appearing in Annexure 5 to this report;
- h. Details of Reserves and Surplus as Restated appearing in Annexure 6 to this report;
- i. Details of Long Term/Short Term Borrowings as Restated appearing in Annexure 7 to this report;
- j. Nature of Security and Terms of Repayment for Long term/Short term Borrowings appearing in Annexure 7.1 to this report;
- k. Details of Deferred Tax Assets/Liabilities (Net) as Restated appearing in Annexure 8 to this report;
- l. Details of Long Term/Short Term Provisions as Restated appearing in Annexure 9 to this report;
- m. Details of Trade Payables as Restated appearing in Annexure 10 to this report;
- n. Details of Other Current Liabilities as Restated appearing in Annexure 11 to this report;
- o. Details of Property Plant Equipment as Restated appearing in Annexure 12 to this report;
- p. Details of Capital Work in Progress as Restated appearing in Annexure 13 to this report;
- q. Details of Long/Short Term Loans and Advances as Restated appearing in Annexure 14 to this report;
- r. Details of Other Non-Current/Current Assets as Restated appearing in Annexure 15 to this report;
- s. Details of Trade Receivables as Restated appearing in Annexure 16 to this report;
- t. Details of Inventories as Restated appearing in Annexure 17 to this report;
- u. Details of Cash and Bank Balances as Restated appearing in Annexure 18 to this report;
- v. Details of Revenue from operations as Restated appearing in Annexure 19 to this report;
- w. Details of Other Income as Restated appearing in Annexure 20 to this report;
- x. Details of Cost of Material Consumed as restated appearing in Annexure 21 to this report;
- y. Details of Employee Benefit Expense as restated appearing in Annexure 22 to this report;
- z. Details of Finance Cost as restated appearing in Annexure 23 to this report;
- aa. Details of Other Expense as restated appearing in Annexure 24 to this report;
- bb. Details of Accounting and other ratios as restated appearing in Annexure 25 to this report;
- cc. Statement of Tax Shelter as Restated appearing in Annexure 26 to this report;
- dd. Details of statement of Capitalization as restated appearing in Annexure 27 to this report;
- ee. Details of Related Parties Transactions as Restated appearing in Annexure 28 to this report;
- ff. Details of Additional notes as restated appearing in Annexure 29 to this report;
- gg. Details of Ratios as restated appearing in Annexure 30 to this report;



**hh.**Details of Expenditure on Corporate Social Responsibility as restated appearing in Annexure 31 to this report;

9. We, M/s. Doshi Doshi & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "**Peer Review Board**" of the ICAI which is valid till January 31, 2026.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 4 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus to be filed with Securities and Exchange Board of India, SME Platform of BSE Limited (BSE SME) and Registrar of Companies, Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Doshi Doshi & Co,**  
Chartered Accountants

**Firm's Registration Number - 153683W**

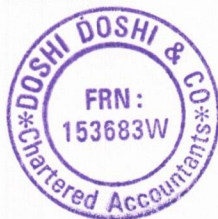


**Chintan R. Doshi**

Partner

Membership Number - 158931

UDIN - 25158931BMIFOI7302



Place: Ahmedabad

Date: December 10, 2024

Particulars	Annexure	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Equity and Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	5	627.14	78.39	70.00	70.00
Reserves and Surplus	6	349.60	560.86	129	23
<b>Total Equity</b>		<b>976.74</b>	<b>639.25</b>	<b>198.59</b>	<b>92.93</b>
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	7	220.27	162.69	181.86	94.05
Deferred Tax Liabilities (Net)	8	-	2.35	3.26	1.66
Other Long-Term Liabilities		-	-	-	-
Long-Term Provisions	9	15.84	15.95	6.94	4.90
<b>Total Non- Current Liabilities</b>		<b>236.11</b>	<b>180.99</b>	<b>192.06</b>	<b>100.61</b>
<b>Current liabilities</b>					
Short-term borrowings	7	476.83	519.30	342.65	236.91
Trade payables	10				
i) Total outstanding dues of micro enterprise and small enterprise		64.12	121.30	145.41	154.63
ii) Total outstanding dues other than micro enterprise and small enterprise		451.29	459.72	408.59	298.32
Other current liabilities	11	30.44	19.32	15.54	45.67
Short-term provisions	9	238.07	86.13	66.58	20.04
<b>Total Current Liabilities</b>		<b>1,260.76</b>	<b>1,205.79</b>	<b>978.77</b>	<b>755.57</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>2,473.61</b>	<b>2,026.02</b>	<b>1,369.42</b>	<b>949.11</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment and Intangible Assets					
Tangible assets	12	87.42	109.10	113.14	91.75
Capital Work In Progress	13	0.75	-	-	-
Long-Term Loans and Advances	14	12.56	83.36	187.01	119.47
Deferred Tax Assets	8	2.72	-	-	-
<b>Total Non-Current Assets</b>		<b>103.46</b>	<b>192.46</b>	<b>300.15</b>	<b>211.22</b>
<b>Current Assets</b>					
Short-Term Loans and Advances	14	65.98	73.86	45.95	33.57
Other Current Assets	15	4.37	-	-	-
Trade Receivables	16	2,226.46	1,615.18	860.88	640.30
Inventories	17	17.70	143.89	150.08	50.33
Cash and Bank Balances	18	55.64	0.64	12.37	13.68
<b>Total Current Assets</b>		<b>2,370.15</b>	<b>1,833.56</b>	<b>1,069.28</b>	<b>737.88</b>
<b>TOTAL ASSETS</b>		<b>2,473.61</b>	<b>2,026.02</b>	<b>1,369.42</b>	<b>949.11</b>

**Note:**

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4. as per our report of even date attached

For, Doshi Doshi & Co  
Chartered Accountants  
Firm Registration No.: 153683W

  
Chintan R. Doshi  
Partner  
M. No. 158931  
Place : Ahmedabad  
Date : 10 December, 2024



For & on behalf of Board of Directors  
ASSTON PHARMACEUTICALS LIMITED

  
Ashish Narayan Sakalkar  
Managing Director  
DIN : 06601011  
  
Vandana Mishra  
Company Secretary  
PAN: BCFPP3496K  
Place : Mumbai  
Date : 10 December, 2024



  
Saini Jayaram More  
Whole Time Director & CEO  
DIN: 02691527  
  
DEVEN MANOHAR PATIL  
Chief Financial Officer  
PAN: CLDPP7283C  
Place : Mumbai  
Date : 10 December, 2024



## Annexure 2: Restated Summary Statement of Profit and Loss



(Amount in Lakhs)

Particulars	Annexure	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue</b>					
Revenue from operations	19	2,068.16	1,558.62	653.80	959.85
Other income	20	157.82	25.47	65.39	95.61
<b>Total Income</b>		<b>2,225.98</b>	<b>1,584.09</b>	<b>719.19</b>	<b>1,055.46</b>
<b>Expenses</b>					
Cost of materials consumed	21	1,152.69	975.41	334.93	767.37
Employee Benefits Expense	22	67.41	88.10	59.30	61.80
Finance Costs	23	89.10	93.27	72.09	43.35
Depreciation and amortisation Expense	12	4.24	5.07	3.69	0.83
Other Expenses	24	469.35	240.53	107.91	166.22
<b>Total Expenses</b>		<b>1,782.79</b>	<b>1,402.37</b>	<b>577.93</b>	<b>1,039.57</b>
<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>		<b>443.19</b>	<b>181.72</b>	<b>141.27</b>	<b>15.88</b>
Exceptional/Prior Period Items		-	-	-	-
<b>PROFIT BEFORE TAX</b>		<b>443.19</b>	<b>181.72</b>	<b>141.27</b>	<b>15.88</b>
<b>Tax Expense</b>					
Current tax		110.78	46.59	34.00	3.17
Deferred tax (credit)/charge		- 5.07	0.91	1.60	1.66
<b>Total Tax Expenses</b>		<b>105.70</b>	<b>45.69</b>	<b>35.60</b>	<b>4.83</b>
<b>Profit for the period / year</b>		<b>337.49</b>	<b>136.03</b>	<b>105.66</b>	<b>11.06</b>
<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>					
a) Basic/Diluted EPS	25	5.38	2.37	1.89	11.62
b) Adjusted/Diluted EPS	25	5.38	2.37	1.89	11.62

**Note:**

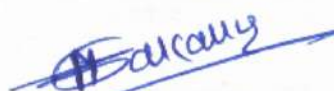
The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4  
As per our report of even date attached

For, Doshi Doshi & Co  
Chartered Accountants  
Firm Registration No.: 153683W

Chintan R. Doshi  
Partner  
M. No. 158931  
Place : Ahmedabad  
Date : 10 December, 2024

For & on behalf of Board of Directors  
ASSTON PHARMACEUTICALS LIMITED



Ashish Narayan Sakalkar  
Managing Director  
DIN : 06601011



Vandana Mishra  
Company Secretary  
PAN: BCFPP3496K  
Place : Mumbai  
Date : 10 December, 2024





Sãili Jayaram More  
Whole Time Director & CEO  
DIN: 02691527



DEVEN MANOHAR PATIL  
Chief Financial Officer  
PAN: CLBPP7283C  
Place : Mumbai  
Date : 10 December, 2024

## Annexure 3: Restated Summary Statement of Cash Flows

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>				
Profit before tax, as restated	443.19	181.72	141.27	15.88
<b>Adjustments for :</b>				
Depreciation and amortisation expense	4.24	5.07	3.69	0.83
Loss/(Gain) on Sale of Assets	3.06	-	-	-
Finance costs	89.10	93.27	72.09	43.35
Interest & Dividend income	4.90	4.01	1.21	0.02
<b>Operating profit before working capital changes</b>	<b>534.70</b>	<b>276.05</b>	<b>215.84</b>	<b>60.04</b>
<b>Changes in working capital:</b>				
(Increase) / decrease Inventories	126.19	6.19	99.75	72.91
(Increase) / decrease in Trade Receivables	611.28	754.30	220.91	216.60
(Increase) / decrease in Other Current Assets	4.37	-	-	-
(Increase) / decrease in Long Term Loans and Advances	-	107.17	0.20	119.47
(Increase) / decrease in Short term Loans and Advances	7.88	27.91	12.37	14.91
Increase / (decrease) in Trade Payables	65.61	27.02	101.39	18.42
Increase / (decrease) in Other Current Liabilities	11.11	3.79	30.13	41.58
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	0.12	9.01	2.04	6.58
Increase / (decrease) in Short Term Provision	41.17	18.15	13.84	19.33
<b>Cash generated from / (utilised in) operations</b>	<b>39.67</b>	<b>334.84</b>	<b>30.26</b>	<b>115.47</b>
Less : Income tax paid	0.00	45.19	1.31	3.17
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>39.67</b>	<b>380.03</b>	<b>31.57</b>	<b>118.64</b>
<b>B. Cash flow from investing activities</b>				
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	13.62	1.03	25.08	0.22
Net Fixed Deposit (invested) / redeemed	70.79	3.52	67.34	-
Interest and Dividend Received	4.90	4.01	1.21	0.02
<b>Net cash flow utilised in investing activities (B)</b>	<b>89.31</b>	<b>0.54</b>	<b>91.21</b>	<b>0.20</b>
<b>C. Cash flow from financing activities</b>				
Net of (Repayment)/Proceeds from Short Term Borrowings	42.48	176.64	105.74	236.91
Net of (Repayment)/Proceeds from Long Term Borrowings	57.59	19.16	87.81	133.30
Equity Share issued along with share premium	-	304.63	-	69.00
Interest/Finance Charges Paid	89.10	93.27	72.09	43.35
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>73.99</b>	<b>368.84</b>	<b>121.46</b>	<b>129.26</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>55.00</b>	<b>11.73</b>	<b>1.31</b>	<b>10.43</b>
Cash and cash equivalents at the beginning of the period/ year	0.64	12.37	13.68	3.25
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>55.64</b>	<b>0.64</b>	<b>12.37</b>	<b>13.68</b>

## Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and 4

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For, Doshi Doshi & Co  
Chartered Accountants  
Firm Registration No.: 153683W

  
Chintan R. Doshi  
Partner  
M.No.: 158931



Place : Ahmedabad  
Date : 10 December, 2024

For & on behalf of Board of Directors

  
Ashish Narayan Sakalkar  
Managing Director  
DIN : 06601011

  
Vandana Mishra  
Company Secretary  
PAN: BCFPP3496K

Place : Mumbai  
Date : 10 December, 2024

  
Sairi Jayaram More  
Whole Time Director & CEO  
DIN: 02691527

  
DEVEN MANOHAR PATIL  
Chief Financial Officer  
PAN: CLBPP7283C

Place : Mumbai  
Date : 10 December, 2024

**Annexure 4: Statement of Notes to the Restated Financial Information**

**A. Background of the Company**

ASSTON PHARMACEUTICALS LIMITED ("the Company") formerly known as 'Asston Pharmaceuticals Private Limited' was incorporated on 16th April, 2019. The main objects of the Company include inter alia to carry on the business of Manufacturing Pharmaceutical Products. The Company has been converted from Private Limited Company to Public Limited Company with effect from 29th August, 2024.

**B SIGNIFICANT ACCOUNTING POLICIES**

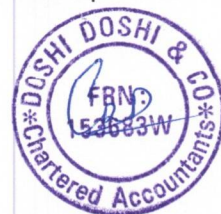
**a. BASIS OF PREPARATION**

The restated summary statement of assets and liabilities of the Company as at November 30, 2024, March 31, 2024, March 31, 2023 & March 31, 2022 and the related restated summary statement of profits and loss and cash flows for the period/year ended November 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 (herein collectively referred to as ("Restated Summary Statements")) have been compiled by the management from the audited Financial Statements for the period/year ended on November 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed BSE SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements. The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

**b. USE OF ESTIMATES**

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.



**Annexure 4: Statement of Notes to the Restated Financial Information**

**c. REVENUE RECOGNITION:**

(i) Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognised net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognised on accrual basis.

(iv) Income from export entitlement is recognised as on accrual basis.

**d. FOREIGN CURRENCY TRANSACTIONS.**

**Initial recognition**

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction.

**Measurement of foreign currency monetary items at Balance Sheet date**

Foreign currency monetary items (other than derivative contracts) as at Balance Sheet date are restated at the year end rates.

**Exchange difference**

Exchange differences arising on settlement of monetary items are recognised as income or expense in the period in which they arise.

Exchange difference arising on restatement of foreign currency monetary items as at the year end being difference between exchange rate prevailing on initial recognition/subsequent restatement on reporting date and as at current reporting date is adjusted in the Statement of Profit & Loss for the respective year.

Any expense incurred in respect of Forward contracts entered into for the purpose of hedging is charged to the Statement of Profit and loss.

**Forward Exchange Contract**

The Premium or discount arising at the inception of the Forward Exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange Differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any Profit or Loss arising on cancellation or renewal of such a forward contract is recognized as income or expense in the period in which such cancellation or renewal is made.

The Foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as per schedule 4 (E).

**e. INVESTMENTS**

Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**Annexure 4: Statement of Notes to the Restated Financial Information**

**f. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

**(i) Tangible Assets**

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

**g. DEPRECIATION AND AMORTISATION**

Depreciation is calculated using the Straight Line method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

<b>Class of Assets</b>	<b>Useful life as per schedule II</b>	<b>Useful Life as per Company</b>
Building	60 Years	60 Years
Office equipment	8 Years	8 Years
Computers	3 years	3 years
Furniture and fixtures	10 years	10 years
Plant and Machinery	15 years	15 years
Vehicles	8 years	8 years

**h. INVENTORIES:**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition . Cost formula used is FIFO/weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.



Annexure 4: Statement of Notes to the Restated Financial Information

**i. IMPAIRMENT OF ASSETS:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.



**Annexure 4: Statement of Notes to the Restated Financial Information**

**j. RETIREMENT BENEFITS:**

**(i) Short-term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount 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**

'Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

**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.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

**k. BORROWING COST**

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.



**Annexure 4: Statement of Notes to the Restated Financial Information**

**I. EARNINGS PER SHARE:**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.

**m. TAXATION:**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.





**Annexure 4: Statement of Notes to the Restated Financial Information**

**n. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

**(i) Provisions**

A provisions is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**(ii) Contingent Liability**

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(ii) Contingent Assets**

Contingent Assets are neither recognised nor disclosed in the financial statements.

**o. SEGMENT REPORTING**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**p. CASH & CASH EQUIVALENTS**

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.



Annexure 4: Statement of Notes to the Restated Financial Information

**q. LEASES**

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**r. Government Grants**

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

Export benefits / incentives are accounted on accrual basis. Accordingly, estimated export benefits against exports affected during the year are taken into account as estimated incentives accrued till the end of the year. In case of License not revalidated after the date of expiry, the proportionate export benefit / incentive taken credit in earlier year(s) is written off in the year of expiry of License.



**Annexure 4: Statement of Notes to the Restated Financial Information****H. Restatement adjustments, Material regroupings and Non-adjusting items****(a) Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

**(Amount in Lakhs)**

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit after tax as per audited financial statements	337.37	243.12	77.49	11.21
<b>Adjustments to net profit as per audited financial statements</b>				
Gratuity expense provided (refer note (b)(i) below)	15.99 -	9.03 -	2.05 -	4.91
Change in Depreciation method (refer note b(ii) below)	- 12.14	1.29	6.88	3.97
Forex Gain / loss Restated (refer note b(iii) below)	56.37 -	118.63	43.96	18.31
Income Tax Provision (refer note (b)(iv) below)	- 30.98	34.12 -	4.02	0.87
Deferred Tax Liability / Assets Adjustments (refer note (b)(v) below)	1.18	2.08 -	1.60 -	1.66
MSME interest accrual (refer note (b)(vi) below)	- 28.40 -	16.91 -	15.01 -	16.74
<b>Total adjustments</b>	<b>2.01 -</b>	<b>107.08</b>	<b>28.17 -</b>	<b>0.16</b>
<b>Restated profit after tax for the period/ years</b>	<b>339.38</b>	<b>136.03</b>	<b>105.66</b>	<b>11.06</b>

**Note:**

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

**(b) Explanatory notes for the restatement adjustments**

- (i) The Amount relating to the Gratuity Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- (ii) The Amount relating to the change in depreciation method from WDV to SLM. The said change in method of depreciation has been restated in respective years accordingly.
- (iii) The amount is relating to forex gain / loss evaluated based on Monetary items in foreign currency being restated as per Accounting standard 11 and reversed subsequently in next year.
- (iv) The Company has provided Excess or Short Provision in the year in which the Income Tax Return has been filled for the respective financial year. But in the Restated Financial Information the company has provided Excess or Short Provision in the year to which it relates to.
- (v) There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.
- (vi) Company have outstanding payable to MSME creditors, hence as per the provisions of MSME, the interest is accrued on MSME payable amount and same is pushed back in restated financial statements.

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings as per audited financials of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

**(c) Reconciliation of restated Equity / Network:****(Amount in Lakhs)**

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Equity / Network as per Audited Financials</b>	1,055.69	718.32	170.57	93.08
<b>Adjustment for:</b>				
Adjustment of items pertaining to Statement of Profit and loss (Refer profit and loss reco adjustments)	2.01 -	107.08	28.17 -	0.16
Income tax push to next year (refer note no. b(iv))	30.98 -	3.14	0.87	-
Change in Depreciation method (refer note b(ii))	12.14	10.85	3.97	-
Forex Gain / loss Restated (refer note b(iii))	- 56.37	62.27	18.31	-
Deferred Tax Impact (refer note no. b(iv))	- 1.18 -	3.26 -	1.66	-
Gratuity Provision (refer note no. b(v))	- 15.99 -	6.96 -	4.91	-
MSME interest accrual (refer note no. b(vi))	- 48.66 -	31.75 -	16.74	-
<b>Equity / Network as Restated</b>	<b>978.63</b>	<b>639.25</b>	<b>198.59</b>	<b>92.93</b>

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

## Annexure 4: Statement of Notes to the Restated Financial Information

## C. Contingent liabilities and commitments

## (i) Contingent liabilities

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March,2024	As at 31 March,2023	As at 31 March, 2022
<b>Claims against the Company not acknowledged as debt</b>				
Custom Duty saved on import of Capital Goods under EPCG Scheme	-	-	-	-
Bank Guarantees	-	-	-	-
Indirect Tax Liability	-	-	-	-
Amount of Capital Commitments	-	-	-	-
Corporate Guarantee Given by Company *	-	-	-	-
	-	-	-	-

## D. Earning &amp; Expenditure in foreign currency on accrual basis

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March,2024	As at 31 March,2023	As at 31 March, 2022
<b>Foreign Currency Expenditure (Net off Remittance Charges)</b>				
Earning	1,741.21	1,518.74	653.80	959.85
Purchase	-	-	-	-
Expenses	-	-	-	-

G. The Company has entered into operating lease agreements for office facilities and such leases are basically cancellable in nature. The lease payments under operating leases have been recognised as an expense in the Restated Summary Statement of Profit and Loss.

Particulars	As at 30 Nov, 2024	As at 31 March		
		2024	2023	2022
Operating lease	19.20	-	-	-

E. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March,2024	As at 31 March,2023	As at 31 March, 2022
Foreign Currency Exposure that have not been Hedged by Derivative Instruments	2,250.65	1,578.65	860.88	640.30

## F. Changes in Accounting Policies in the Periods/Years Covered In The Restated Financials

There is no change in significant accounting policies adopted by the Company except for change in depreciation method from WDV to SLM.

## G. Notes On Restatement Made In The Restated Financials

1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.

3) Figures have been rearranged and regrouped wherever practicable and considered necessary.

4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.



## Annexure 5: Restated Statement of Share capital

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Authorised share capital</b>				
Equity shares of Rs.10 each				
- Number of shares	1,10,00,000	10,00,000	10,00,000	10,00,000
- Amount in Rs.	1,100.00	100.00	100.00	100.00
	<b>1,100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs.10 each				
- Number of shares	62,71,360	7,83,920	7,00,000	7,00,000
- Amount in Rs.	627.14	78.39	70.00	70.00
	<b>627.14</b>	<b>78.39</b>	<b>70.00</b>	<b>70.00</b>

## Reconciliation of equity share capital

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Balance at the beginning of the period/year</b>				
- Number of shares	7,83,920	7,00,000	7,00,000	10,000
- Amount in Rs.	78.39	70.00	70.00	1.00
<b>Add: Shares issued during the period/year</b>				
- Number of shares	-	83,920.00	-	6,90,000
- Amount in Rs.	-	8.39	-	69.00
<b>Add: Bonus Shares issued during the period/year</b>				
- Number of shares	54,87,440	-	-	-
- Amount in Rs.	548.74	-	-	-
<b>Balance at the end of the period/year</b>				
- Number of shares	<b>62,71,360</b>	<b>7,83,920</b>	<b>7,00,000</b>	<b>7,00,000</b>
- Amount in Rs.	<b>627.14</b>	<b>78.39</b>	<b>70.00</b>	<b>70.00</b>

## Note: Terms / Rights attach to the Equity Shares

The Company has only equity shares having par value of Rs. 10 per share which is issued, subscribed and paid up. Each holder of equity share is entitled to 1 vote per share. Repayment of Capital : In event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company in proportion to the number of number of equity shares held by the shareholders.



Shareholders holding more than 5% of the shares of the Company

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Equity shares of Rs.10 each				
<b>Ashish Sakalkar</b>				
- Number of shares	18,52,856	2,43,344	3,50,000	3,50,000
- Percentage holding (%)	29.54%	31.04%	50.00%	50.00%
<b>Saili More</b>				
- Number of shares	18,52,856	2,43,344	3,50,000	3,50,000
- Percentage holding (%)	29.54%	31.04%	50.00%	50.00%
<b>COMERCINATE ENTERPRISES PRIVATE LIMITED</b>				
- Number of shares	5,23,320	48,068	-	-
- Percentage holding (%)	8.34%	6.13%	0.00%	0.00%
<b>SACHIN CHANDRAKANT BADA KH</b>				
- Number of shares	6,25,968	-	-	-
- Percentage holding (%)	9.98%	0.00%	0.00%	0.00%

Particulars	Shares held by Promoters at the end of the year For the period ended 30 Nov 2024		
	No of Shares	% of total Shares	% Change during the period
Ashish Sakalkar	18,52,856	29.54%	-1.50%
Saili More	18,52,856	29.54%	-1.50%
Sachin Badakh	6,25,968	9.98%	9.98%

Particulars	Shares held by Promoters at the end of the year For the year ended 31 March 2024		
	No of Shares	% of total Shares	% Change during the year
Ashish Sakalkar	2,43,344	31.04%	-18.96%
Saili More	2,43,344	31.04%	-18.96%

Particulars	Shares held by Promoters at the end of the year For the year ended 31 March 2023		
	No of Shares	% of total Shares	% Change during the year
Ashish Sakalkar	3,50,000	50.00%	0.00%
Saili More	3,50,000	50.00%	0.00%

Particulars	Shares held by Promoters at the end of the year For the year ended 31 March 2022		
	No of Shares	% of total Shares	% Change during the year
Ashish Sakalkar	3,50,000	50.00%	0.00%
Saili More	3,50,000	50.00%	0.00%

(i) The Figures disclosed above are based on the summary statement of assets and liabilities of the company.

(ii) The above statement should be read with the restated statement of assets & liabilities, Restated statement of Profit & Loss, Restated statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1, 2, 3 & 4 respectively.



## Annexure 6: Restated Statement of Reserves and surplus

(Amount in Lakhs)

Particulars	Period Ended 30th Nov , 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Share Premium</b>				
Balance at the beginning of the period / year	296.24	-	-	-
Addition for the year	-	296.24	-	-
Less : Issue of Bonus Shares	- 296.24	-	-	-
<b>Balance at the end of the period/year</b>	<b>- 0.00</b>	<b>296.24</b>	<b>-</b>	<b>-</b>
<b>A. Surplus in the Restated Summary Statement of Profit and Loss</b>				
Balance at the beginning of the period/year	264.62	128.59	22.93	11.87
Add : Transferred from the Restated Summary Statement of Profit and Loss	337.49	136.03	105.66	11.06
Less : Issue of Bonus Shares	- 252.50	-	-	-
<b>Balance at the end of the period/year</b>	<b>349.61</b>	<b>264.62</b>	<b>128.59</b>	<b>22.93</b>
<b>Total (A+B)</b>	<b>349.60</b>	<b>560.86</b>	<b>128.59</b>	<b>22.93</b>

**Note:**

- 1 The Figures disclosed above are based on the summary statement of assets and liabilities of the company.
- 2 The above statement should be read with the restated statement of assets & liabilities, Restated statement of Profit & Loss, Restated statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.



## Annexure 7: Restated Statement of Long-term / Short-term borrowings

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024		Year Ended 31st March, 2024		Year Ended 31st March, 2023		Year Ended 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<u>Secured</u>								
<u>Term Loans</u>								
(a) From Banks - Term Loans	-	-	73.56	-	76.15	-	68.92	-
(b) Current Maturity of Term Loans	-	-	2.84	2.84	2.59	2.59	-	-
<u>Vehicle Loans</u>								
(a) From Banks - Vehicle loans	20.87	-	23.02	-	25.91	-	-	-
(b) Current Maturity of Vehicle loans - Banks	3.25	3.25	3.06	3.06	2.89	2.89	-	-
<u>Working capital loans</u>								
(a) Working capital loans	-	-	297.66	303.56	303.01	-	-	227.33
	<b>17.62</b>	<b>3.25</b>	<b>90.68</b>	<b>303.56</b>	<b>96.58</b>	<b>308.49</b>	<b>68.92</b>	<b>227.33</b>
<u>Unsecured</u>								
<u>Term Loans</u>								
(a) From Banks - Term Loans (Unsecured)	64.47	-	27.03	-	26.53	-	16.84	-
(b) Current Maturity of Term Loans - Banks	27.36	27.36	11.12	11.12	6.15	6.15	-	-
(c) From financial institution - Term loans (Unsecured)	264.91	-	102.99	-	82.81	-	13.85	-
(d) Current Maturity of Term Loans - FI	99.36	99.36	46.89	46.89	17.90	17.90	5.55	5.55
(e) Loans from Shareholders, Directors, Members, Related Parties, & Inter Corporate Deposit	-	346.86	-	157.73	-	10.10	-	4
	<b>202.65</b>	<b>473.59</b>	<b>72.01</b>	<b>215.74</b>	<b>85.28</b>	<b>34.16</b>	<b>25.13</b>	<b>9.58</b>
	<b>220.27</b>	<b>476.83</b>	<b>162.69</b>	<b>519.30</b>	<b>181.86</b>	<b>342.65</b>	<b>94.05</b>	<b>236.91</b>





**Annexure 7.1: Restated Statement of Details regarding Loan From Bank (Secured and Unsecured)**

Long Term Borrowings (Secured)							
SNo.	Lender	Nature of Facility	Loan*	Outstanding as on 30th Nov, 2024	Rate of Interest/Margin	Repayment Term	Security Clause
1	Bank of Maharashtra	Vehicle Loan	27.40	20.87	Rate of Interest is 11.30% p.a.	Principal repayable in 84 principal installments of Rs. 0.48 lakhs starting from Aug 2022	Secured against Vehicle
Long Term Borrowings (Unsecured)							
1	Ashv Finance Ltd	Term Loan	30.00	27.46	Rate of Interest is 19.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.11 lakhs starting from Aug 2024.	Unsecured
2	Axis Bank Limited	Term Loan	20.00	6.40	Rate of Interest is 1 Year MCLR 8.1% p.a. + Spread 6.9% p.a.	Principal repayable in 36 principal installments of Rs. 0.69 lakhs starting from Oct 2022.	Unsecured
3	Bajaj Finance Ltd. (Loan 1)	Term Loan	15.74	5.04	Rate of Interest is 18% p.a.	Principal repayable in 48 principal installments of Rs. 0.46 lakhs starting from Dec 2021.	Unsecured
4	Bajaj Finance Ltd. (Loan 2)	Term Loan	21.59	16.05	Rate of Interest is 16% p.a.	Principal repayable in 36 principal installments of Rs. 0.75 lakhs starting from Jan 2024.	Unsecured
5	Clix Capital Services Ltd.	Term Loan	35.43	33.20	Rate of Interest is 19.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.30 lakhs starting from Sept 2024.	Unsecured



6	Deutsche Bank Ltd.	Term Loan	50.00	45.27	Rate of Interest is 16.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.77 lakhs starting from Aug 2024	Unsecured
7	Poonawalla Fincorp Ltd	Term Loan	25.00	19.65	Rate of Interest is 17.5% p.a.	Principal repayable in 36 principal installments of Rs. 0.91 lakhs starting from Feb 2024	Unsecured
8	Unity Small Finance Bank Ltd.	Term Loan	17.34	12.80	Rate of Interest is 20.0% p.a.	Principal repayable in 36 principal installments of Rs. 0.64 lakhs starting from Jan 2024	Unsecured
9	IIFL Finance Ltd.	Term Loan	15.17	14.21	Rate of Interest is 18.5% p.a.	Principal repayable in 36 principal installments of Rs. 0.55 lakhs starting from Sept 2024	Unsecured
10	L&T Finance Ltd.	Term Loan	20.00	19.11	Rate of Interest is 17.0% p.a.	Principal repayable in 48 principal installments of Rs. 0.57 lakhs starting from Sept 2024.	Unsecured
11	Kisetsu Saison Finance (India) Private Limited	Term Loan	25.50	23.44	Rate of Interest is 18.5% p.a.	Principal repayable in 30 principal installments of Rs. 1.06 lakhs starting from Sept 2024.	Unsecured
12	Hero Fincorp Ltd.	Term Loan	30.35	28.37	Rate of Interest is 17.0% p.a.	Principal repayable in 36 principal installments of Rs. 1.08 lakhs starting from Sept, 2024	Unsecured
13	Tata Capital Ltd.	Term Loan	35.00	32.71	Rate of Interest is 17.0% p.a.	Principal repayable in 36 principal installments of Rs. 1.25 lakhs starting from Sept, 2024	Unsecured



14	Protium Finance Ltd.	Term Loan	25.00	23.00	Rate of Interest is 19.25% p.a.	Principal repayable in 30 principal installments of Rs. 1.05 lakhs starting from Sept 2024	Unsecured
15	Ambit Finance Ltd.	Term Loan	25.30	22.66	Rate of Interest is 20.0% p.a.	Principal repayable in 24 principal installments of Rs. 1.28 lakhs starting from Sept 2024	Unsecured
16	Loan From Ashish Sakalkar	Loan from Others	135.00	135.00	NIL	Repayable on Demand	Unsecured
17	Loan From Saili More	Loan from Others	41.87	41.87	NIL	Repayable on Demand	Unsecured
18	AMRIT POLYCHEM PVT LTD	Loan from Others	70.00	70.00	NIL	Repayable on Demand	Unsecured
19	COMERCINATE ENTERPRISES PVT LTD	Loan from Others	100.00	100.00	NIL	Repayable on Demand	Unsecured



**Asstton Pharmaceuticals Limited (Formerly known as 'Asstton Pharmaceuticals Private Limited')**

**Annexure 8: Deferred Tax Assets/Liabilities**

Particulars	(Amount in Lakhs)			
	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Deferred Tax Assets &amp; Liabilities Provision</b>				
WDV As Per Companies Act 2013	87.42	109.10	113.14	91.75
WDV As Per Income Tax Act	80.34	83.77	93.23	80.24
<b>Difference in WDV</b>	<b>7.08 -</b>	<b>25.33 -</b>	<b>19.91 -</b>	<b>11.51</b>
Gratuity Provision	17.87	15.99	6.96	4.91
Unabsorbed Depreciation & Business Loss				
<b>Total Timing Differene</b>	<b>10.79 -</b>	<b>9.34 -</b>	<b>12.95 -</b>	<b>6.60</b>
Tax Rate as per Income Tax (DTA) / DTL	25.17%	25.17%	25.17%	25.17%
	2.72 -	2.35 -	3.26 -	1.66
<b>Deferred Tax Assets &amp; Liabilities Summary</b>				
<b>Opening Balance of DTA / (DTL)</b>	-	-	1.66	-
Add: Provision for the Year	5.07	0.91 -	1.60 -	1.66
Closing Balance of DTA / (DTL)	<b>2.72 -</b>	<b>2.35 -</b>	<b>3.26 -</b>	<b>1.66</b>

**Note:**

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Liabilities (net of Assets) is provided in the books of account as at the end of the year/ (period)

**Annexure 9: Restated Statement of Provisions**

Particulars	(Amount in Lakhs)			
	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits:</b>				
Provision for Gratuity	15.84	2.04	15.95	0.04
Provision for expenses	-	89.04	-	49.87
Provision For Income Tax (Net of Advance tax)	-	146.99	-	36.22
	<b>15.84</b>	<b>238.07</b>	<b>15.95</b>	<b>86.13</b>
			<b>6.94</b>	<b>66.58</b>
			<b>4.90</b>	<b>20.04</b>

**Note:**

1 The figures disclosed above are based on the restated summary statement of assets & liabilities of company.

2 The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



## Annexure 9.1: Restated Statement of Provisions

(Amount in Lakhs)

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
Projected Benefit Obligation	17.87	15.99	6.96	4.91
Funding Status	Unfunded	Unfunded	Unfunded	Unfunded
Fund Balance	N.A	N.A	N.A	N.A
Current Liability	2.04	0.04	0.02	0.01
Non Current Liability	15.84	15.95	6.94	4.90

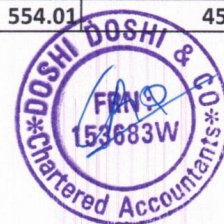
The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Demographic Assumption:</b>				
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement Age	60 years	60 years	60 years	60 years
Attrition Rate	10.00%	10.00%	10.00%	10.00%
<b>Financial Assumption:</b>				
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
Discount Rate	7.00%	7.25%	7.50%	7.25%

## Annexure 10: Restated Statement of Trade payables

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
- Total outstanding dues of micro and small enterprises (Refer note below)	64.12	121.30	145.41	154.63
- Total outstanding dues of creditors other than micro and small enterprises	451.29	459.72	408.59	298.32
	<b>515.42</b>	<b>581.02</b>	<b>554.01</b>	<b>452.95</b>



## Annexure 10.1: Trade payables ageing schedule

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Disputed Dues</b>	-	-	-	-
<b>Undisputed Dues</b>				
<b>(a) Micro, Small &amp; Medium Enterprise</b>				
Less than 1 year	8.87	12.25	57.37	108.13
1 to 2 years	1.57	56.87	87.76	46.50
2 to 3 years	49.61	52.19	0.28	-
More than 3 Years	4.07	-	-	-
<b>(b) Other</b>				
Less than 1 year	363.21	414.97	299.73	258.30
1 to 2 years	85.26	24.83	91.48	40.02
2 to 3 years	1.75	12.60	17.38	-
More than 3 Years	1.08	7.31	-	-

**Note: Micro and Small Enterprises**

- 1 The Company has obtained necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and disclosures of MSME is below :-

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.	64.12	121.30	145.41	154.63
ii. Interest paid during the period / year to MSME.	-	-	-	-
iii. Interest payable at the end of the accounting period / year to MSME.	-	-	-	-
iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.	30.29	48.66	31.75	16.74

- 2 Trade Payables as on 30th November, 2024 has been taken as certified by the management of the company

## Annexure 11: Restated Statement of Other Current Liabilities

(Amount in Lakhs)

Particulars	As at 30 Nov, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Other Current Liabilities</b>				
Employee Payable	28.17	3.60	9.66	9.29
Security Deposit payable	1.50	2.50	-	-
Statutory Dues	0.77	13.23	5.88	6.08
Advance received from customers	-	-	-	30.30
	<b>30.44</b>	<b>19.32</b>	<b>15.54</b>	<b>45.67</b>

**Notes:**

- 1 Advance received from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.
- 2 The figures disclosed above are based on the restated summary statement of assets & liabilities of company. The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



**Annexure 12: Restated Statement of Property, Plant and Equipment (Tangible assets)**

(Amount in Lakhs)

Gross block	Computers & Accessories	Buildings	PLANT & MACHINERY	Furniture	Office Equipment	Motor Vehicles	Total
<b>Balance as at 31 March 2021</b>	<b>0.68</b>	<b>93.17</b>	-	<b>0.28</b>	-	-	<b>94.12</b>
Additions	0.22	-	-	-	-	-	0.22
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>0.89</b>	<b>93.17</b>	-	<b>0.28</b>	-	-	<b>94.34</b>
Additions	-	-	-	-	-	25.08	25.08
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>0.89</b>	<b>93.17</b>	-	<b>0.28</b>	-	<b>25.08</b>	<b>119.41</b>
Additions	0.22	-	-	-	0.81	-	1.03
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>1.11</b>	<b>93.17</b>	-	<b>0.28</b>	<b>0.81</b>	<b>25.08</b>	<b>120.44</b>
Additions	1.13	-	67.47	-	1.68	-	70.27
Disposals	-	93.17	-	-	-	-	93.17
<b>Balance as at 30 Nov 2024</b>	<b>2.24</b>	-	<b>67.47</b>	<b>0.28</b>	<b>2.49</b>	<b>25.08</b>	<b>97.55</b>
<b>Accumulated depreciation and amortisation</b>							
<b>Balance as at 31 March 2021</b>	<b>0.31</b>	<b>1.37</b>	-	<b>0.08</b>	-	-	<b>1.76</b>
Depreciation charge	0.21	0.64	-	0.02	-	-	0.83
Reversal on disposal of assets	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>0.52</b>	<b>2.01</b>	-	<b>0.06</b>	-	-	<b>2.59</b>
Depreciation charge	0.24	1.55	-	0.03	-	1.87	3.69
Deduction/ Adjustment	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>0.76</b>	<b>3.56</b>	-	<b>0.09</b>	-	<b>1.87</b>	<b>6.28</b>
Depreciation charge	0.08	1.56	-	0.03	0.25	3.14	5.07
Deduction/ Adjustment	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>0.84</b>	<b>5.12</b>	-	<b>0.12</b>	<b>0.25</b>	<b>5.01</b>	<b>11.34</b>
Depreciation charge	0.13	0.34	1.35	0.02	0.30	2.10	4.24
Deduction/ Adjustment	-	5.46	-	-	-	-	5.46
<b>Balance as at 30 Nov 2024</b>	<b>0.98</b>	-	<b>1.35</b>	<b>0.14</b>	<b>0.56</b>	<b>7.11</b>	<b>10.13</b>
<b>Net block</b>							
<b>Balance as at 31 March 2022</b>	<b>0.37</b>	<b>91.16</b>	-	<b>0.22</b>	-	-	<b>91.75</b>
<b>Balance as at 31 March 2023</b>	<b>0.13</b>	<b>89.60</b>	-	<b>0.19</b>	-	<b>23.21</b>	<b>113.14</b>
<b>Balance as at 31 March 2024</b>	<b>0.27</b>	<b>88.05</b>	-	<b>0.16</b>	<b>0.56</b>	<b>20.07</b>	<b>109.10</b>
<b>Balance as at 30 Nov 2024</b>	<b>1.26</b>	-	<b>66.12</b>	<b>0.14</b>	<b>1.93</b>	<b>17.97</b>	<b>87.42</b>

1 The figures disclosed above are based on the restated summary statement of assets & liabilities of company.

2 The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



**Annexure 13: Restated Capital Work in Progress**

Particulars	CWIP	Total
<b>Balance as at 31 March 2021</b>	-	-
Additions	-	-
Capitalised	-	-
<b>Balance as at 31 March 2022</b>	-	-
Additions	-	-
Capitalised	-	-
<b>Balance as at 31 March 2023</b>	-	-
Additions	-	-
Capitalised	-	-
<b>Balance as at 31 March 2024</b>	-	-
Additions	0.75	0.75
Capitalised	-	-
<b>Balance as at 30 November 2024</b>	<b>0.75</b>	<b>0.75</b>

The Agieng details of Capital work in progress (CWIP) is as under :

Amount of CWIP for the period	As at 30 November, 2024	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Projects in Progress</b>				
Less than 1 year	0.75	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>0.75</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Projects Temporary Suspended</b>				
Less than 1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note:**

- The figures disclosed above are based on the restated summary statement of assets & liabilities of company.
- The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.





**Annexure 14: Restated Statement of Loans and advances**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024		Year Ended 31st March, 2024		Year Ended 31st March, 2023		Year Ended 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Security deposit - Long term	12.50	-	12.50	-	-	-	-	-
Loan to related parties	-	-	-	-	119.67	-	119.47	-
Deposits With Bank with maturity period is more than 12 months	0.06	-	70.86	-	67.34	-	-	-
Advance to vendors	-	10.91	-	15.92	-	4.55	-	30.85
Balance with Government Authorities	-	55.07	-	57.94	-	41.40	-	64.43
	<b>12.56</b>	<b>65.98</b>	<b>83.36</b>	<b>73.86</b>	<b>187.01</b>	<b>45.95</b>	<b>119.47</b>	<b>33.57</b>

**Note :-**

- 1 Advance given to suppliers have been taken as certified by the management of the company.
- 2 No Securities have been taken by the company against advances given to suppliers.
- 3 The figures disclosed above are based on the restated summary statement of assets & liabilities of company.
- 4 The Figures disclosed in Fixed Deposit refers to Fixed deposit whose maturity is over and above 12 months. The Fixed deposits are lien marked as security with the bank as a bank guarantee.
- 5 The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 15 : Other Current Assets**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024		Year Ended 31st March, 2024		Year Ended 31st March, 2023		Year Ended 31st March, 2022	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Prepaid expenses	-	4.37	-	4.37	-	-	-	-
	-	<b>4.37</b>	-	<b>4.37</b>	-	-	-	-

**Note :-**

- 1 The figures disclosed above are based on the restated summary statement of assets & liabilities of company.
- 2 The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>(i) Undisputed - Considered Good</b>				
<b>1. From Directors/ Promoters / Promotor Group / Associates / Relative of Directors / Group Companies</b>				
Within Six Months	-	-	-	-
6 Months to 1 Year	-	-	-	-
1 Year to 2 Years	-	-	-	-
2 Years to 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
- Considered good	-	-	-	-
<b>2. From Others</b>				
Within Six Months	1,774.94	970.03	262.02	245.59
6 Months to 1 Year	425.38	592.24	464.23	291.60
1 Year to 2 Years	-	-	-	-
2 Years to 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
	2,200.32	1,562.27	726.25	537.19
<b>(ii) Undisputed – which have significant increase in credit risk</b>				
Within Six Months	-	-	-	-
6 Months to 1 Year	-	-	-	-
1 Year to 2 Years	26.14	52.91	100.93	103.10
2 Years to 3 Years	-	-	33.70	-
More Than 3 Years	-	-	-	-
	26.14	52.91	134.63	103.10
<b>(iii) Undisputed – credit impaired</b>				
<b>(iv) Disputed – considered good</b>				
<b>(v) Disputed – which have significant increase in credit risk</b>				
<b>(vi) Disputed– credit impaired</b>				
	2,226.46	1,615.18	860.88	640.30
<b>Total</b>	<b>2,226.46</b>	<b>1,615.18</b>	<b>860.88</b>	<b>640.30</b>

**Note :-**

- As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.
- Trade Receivables as on 30th Nov, 2024 has been taken as certified by the Management of the Company.
- The figures disclosed above are based on the restated summary statement of assets & liabilities of company. The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively. The balance of trade receivables includes export receivables overdue for more than 12 months. Management has taken reasonable efforts and is in the process of realising the amounts from its customers in order to comply with the regulations of Foreign Exchange Management Act, 1999. Based on the past experience management is confident that there will be no financial implication in receiving of such amounts.

**Annexure 17: Restated Statement of Inventories**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Closing Stock	17.70	143.89	150.08	50.00

**Note :-**

Value of Inventories as on 30th Nov, 2024 has been taken as certified by the management of the company.

**Annexure 18: Restated Statement of Cash and Bank Balances****(Amount in Lakhs)**

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Cash and cash equivalents</b>				
In Indian Rupees	10.12	0.34	0.07	4.98
<b>Balances with Banks</b>				
In Current Accounts	45.52	0.30	12.30	8.71
	<b>55.64</b>	<b>0.64</b>	<b>12.37</b>	<b>13.68</b>

**Note :-**

- 1 The figures disclosed above are based on the restated summary statement of assets & liabilities of company.  
The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, 2 restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



**Annexure 19: Restated Statement of Revenue from operations**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Revenue from operations</b>				
Sale of products (Export)	1,741.21	1,386.57	653.80	959.85
Sale of products (Domestic)	326.94	39.88	-	-
<b>Sale of Services</b>				
Sale of services (Export)	-	132.17	-	-
	<b>2,068.16</b>	<b>1,558.62</b>	<b>653.80</b>	<b>959.85</b>

- The figures disclosed above are based on the restated summary statement of Profit & Loss of the company .  
The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 20: Restated Statement of Other Income**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Other Non Operating Income</b>				
Interest income	4.90	4.01	1.21	0.02
Interest on Equalization Scheme Benefit	-	8.13	3.88	-
Export Incentive	78.11	13.33	9.25	21.07
Foreign Exchange Difference	51.17	-	51.06	74.52
Rent income	2.27	-	-	-
Liability no longer required	21.38	-	-	-
	<b>157.82</b>	<b>25.47</b>	<b>65.39</b>	<b>95.61</b>
<b>Profit before tax</b>	<b>443.19</b>	<b>181.72</b>	<b>141.27</b>	<b>15.88</b>
<b>% of other income to profit before tax</b>	<b>36%</b>	<b>14%</b>	<b>46%</b>	<b>602%</b>

**Note:**

- The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.
- The figures disclosed above are based on the restated summary statement of Profit & Loss of the company .  
The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 21. Cost of Material Consumed**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
a) Opening Stock	143.89	150.08	50.33	125.25
Purchase of Raw Materials	751.18	821.49	367.87	595.35
c) Closing Stock	- 17.70 -	- 143.89 -	- 150.08 -	- 50.33 -
	<b>877.37</b>	<b>827.68</b>	<b>268.12</b>	<b>670.27</b>
Add: Direct Expenses				
Labour and job work charges	70.28	145.23	65.04	94.15
Testing Charges	2.97	2.02	0.61	1.06
Registration Fees	201.03	-	0.16	-
Freight and forwarding charges	1.03	0.48	1.00	1.90
	<b>275.32</b>	<b>147.72</b>	<b>66.80</b>	<b>97.19</b>
	<b>1,152.69</b>	<b>975.41</b>	<b>334.93</b>	<b>767.37</b>



**Annexure 22: Restated Statement of Employee Benefits Expense**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Salaries and bonus	25.45	18.80	19.40	20.71
Gratuity Expense	1.88	9.03	2.05	4.91
Staff welfare expense	0.04	0.22	1.80	0.13
Directors' Remuneration	40.03	60.05	36.05	36.05
	<b>67.41</b>	<b>88.10</b>	<b>59.30</b>	<b>61.80</b>

- The figures disclosed above are based on the restated summary statement of Profit & Loss of the company .  
The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

**Annexure 23: Restated Statement of Finance Costs**

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Interest expense:</b>				
Interest expense	77.01	90.12	67.56	42.52
Other Borrowing Cost	12.09	3.15	4.53	0.82
	<b>89.10</b>	<b>93.27</b>	<b>72.09</b>	<b>43.35</b>

- The figures disclosed above are based on the restated summary statement of Profit & Loss of the company .  
The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit & Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



## Annexure 24: Restated Statement of Other Expenses

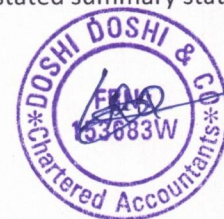
(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Rates and taxes	12.89	1.96	3.32	3.94
Power and fuel	9.81	0.53	0.39	0.39
Legal and professional fees	17.01	10.75	1.09	18.30
Repair and maintenance - others	5.01	0.48	0.58	0.74
Payments to auditor	3.33	0.90	0.09	-
Insurance	1.56	0.95	6.39	0.24
Clearing and Forwarding expense	122.27	133.62	82.11	130.90
Miscellaneous expenses	2.97	0.80	1.63	1.16
Advertisement expense	0.02	3.37	1.13	1.29
Printing & Stationery Expense	0.39	0.80	1.91	0.55
Communication cost	0.35	0.60	0.60	0.19
Provision For Doubtful Debts	261.75	-	-	-
Rent expenses	19.20	-	-	-
Transportation expenses	9.73	11.33	8.66	8.51
Loss on sale of assets	3.06	-	-	-
Foreign Exchange Difference	-	74.46	-	-
<b>Total</b>	<b>469.35</b>	<b>240.53</b>	<b>107.91</b>	<b>166.22</b>
<b>Grand Total</b>	<b>469.35</b>	<b>240.53</b>	<b>107.91</b>	<b>166.22</b>

1 The figures disclosed above are based on the restated summary statement of Profit & Loss of the company .

The above statement should be read with the restated summary statement of assets & liabilities, restated statements of Profit &

2 Loss, restated statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.



**Annexure 25: Restated Statement of Accounting and Other Ratios**

Sr. no.	Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A	Net worth, as restated (₹)	976.74	639.25	198.59	92.93
B	Profit after tax, as restated (₹)	337.49	136.03	105.66	11.06
<b>Weighted average number of equity shares outstanding during the period/ year</b>					
C	For Basic/Diluted earnings per share - Weighted average number of equity shares outstanding during the period/ year (before Considering Bonus issue)	7,83,920	7,18,853	7,00,000	11,890
D	For Basic/Diluted earnings per share - Weighted average number of equity shares outstanding during the period/ year (Considering Bonus issue)	62,71,360.00	57,50,826.08	56,00,000.00	95,123.29
<b>Number of equity shares outstanding at the End of the Period/year</b>					
E	Average number of equity shares outstanding during the period/ year (before Considering Bonus issue)	7,83,920.00	7,83,920.00	7,00,000.00	7,00,000.00
F	Average number of equity shares outstanding during the period/ year (Considering Bonus issue)	62,71,360.00	62,71,360.00	56,00,000.00	56,00,000.00
<b>Earnings per share</b>					
G	Basic/Diluted earnings per share before considering Bonus Issue (₹) (B/C)	43.05	18.92	15.09	93.00
H	Basic/Diluted earnings per share after considering Bonus Issue (₹) (B/D)	5.38	2.37	1.89	11.62
I	<b>Return on Net Worth (%) (B/A*100)</b>	34.55%	21.28%	53.21%	11.90%
J	Net asset value per equity share before considering Bonus Issue (₹) (A/E)	124.60	81.55	28.37	13.28
K	Net asset value per equity share after considering Bonus Issue (₹) (A/F)	15.57	10.19	3.55	1.66
L	Face value of equity shares (₹)	10.00	10.00	10.00	10.00
M	Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA)	378.71	254.58	151.66 -	35.55

**Notes :-**

1) The ratios have been computed in the following manner :

a) Basic and Diluted earnings per share (₹)

$$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$$

b) Return on net worth (%) =

$$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$$

c) Net asset value per share (₹)

$$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$$

2) The figures disclosed above are based on the Restated Financial Information of the Company.

3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding

4) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and

5) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

6) Company have issued bonus shares in the ratio of 1:7 before November 30, 2024

7) Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA) = Profit before Tax + Finance Cost + Depreciation - Other Income



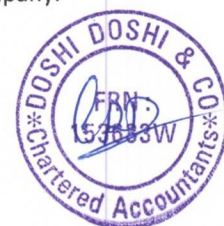
## Annexure 26: Statement of Tax Shelter

(Amount in Lakhs)

Particulars	Period Ended 30th Nov, 2024	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Profit before tax, as restated (A)</b>	443.19	181.72	141.27	15.88
Tax rate (%) (B)	25.17%	25.17%	25.17%	25.17%
<b>Tax expense at nominal rate [C= (A*B)]</b>	<b>111.54</b>	<b>45.73</b>	<b>35.55</b>	<b>4.00</b>
<b>Adjustments</b>				
<b>Permanent differences</b>	-	-	-	-
<b>Total permanent differences (D)</b>	-	-	-	-
<b>Timing differences</b>				
Depreciation difference as per books and as per tax	- 4.93	- 5.62	- 8.20	- 8.22
Provision for gratuity	1.88	9.03	2.05	4.91
<b>Total timing differences (E)</b>	<b>- 3.05</b>	<b>3.41</b>	<b>6.16</b>	<b>3.31</b>
<b>Deduction under Chapter VI-A (F)</b>	-	-	-	-
<b>Net adjustments(G)=(D+E+F)</b>	- 3.05	3.41	6.16	3.31
<b>Brought Forward Loss (ab)</b>	-	-	-	-
<b>Brought Forward Loss (Utilisation)(ac)</b>	-	-	-	-
<b>Carried Forward Loss</b>	-	-	-	-
<b>Net Adjustment After Loss Utilisation (H)= (G)+(ac)</b>	- 3.05	3.41	6.16	3.31
<b>Tax impact of adjustments (I)=(H)*(B)</b>	- 0.77	0.86	1.61	0.82
<b>Tax expenses (Normal Tax Liability) (J= C+I) (derived)</b>	<b>110.78</b>	<b>46.59</b>	<b>34.00</b>	<b>3.17</b>
<b>Minimum Alternate Tax (MAT) (Note 6)</b>				
<b>Tax Expenses= Normal Provision of Income Tax</b>	<b>110.78</b>	<b>46.59</b>	<b>34.00</b>	<b>3.17</b>
<b>Tax paid as per "Normal" provision</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>	<b>Normal</b>

**Notes:**

- The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 ( as amended).
- The permanent/timing differences for the years 31 March 2024, 2023 and 2022 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.
- Figures for the Period ended 30th November, 2024 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income filed for the assessment year 2024-2025 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2025-2026
- Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
- The above statement should be read with the Statement of Notes to the Financial Information of the Company.





## Annexure 27: Restated Statement of Capitalisation

Particulars	(Amount in Lakhs)	
	Pre Issue	Post Issue
<b>Borrowings</b>		
Short- term	346.86	[-]
Long- term (including current maturities) (A)	350.24	[-]
<b>Total Borrowings (B)</b>	<b>697.11</b>	<b>[-]</b>
<b>Shareholders' funds</b>		
Share capital	627.14	[-]
Reserves and surplus	349.60	[-]
<b>Total Shareholders' funds (C)</b>	<b>976.74</b>	<b>[-]</b>
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>0.36</b>	<b>[-]</b>
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>0.71</b>	<b>[-]</b>

\* equity= total shareholders' funds

**Notes:**

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in Short term borrowing).
- 2 The above ratios have been computed on the basis of the Restated Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company



Asston Pharmaceuticals Limited (Formerly known as 'Asston Pharmaceuticals Private Limited')  
Annexure 28: Restated Statement of Related Party Transaction

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 30.11.2024 Payable/(Receivable)	Amount of Transaction debited in 1-4-24 to 30-11-24	Amount of Transaction credited in 1-4-24 to 30-11-24	Amount outstanding as on 31.03.2024 Payable/(Receivable)	Amount of Transaction debited in 1-4-23 to 31-03-24	Amount of Transaction credited in 1-4-23 to 31-03-24	Amount outstanding as on 31.03.2023 Payable/(Receivable)	Amount of Transaction debited in 2022-23	Amount of Transaction credited in 2022-23	Amount outstanding as on 31.03.2022 Payable/(Receivable)	Amount of Transaction debited in 2021-22	Amount of Transaction credited in 2021-22
Ashish Narayan Sakalkar	Director and CEO	Director Remuneration	2.50	20.00	-	53.65	30.03	-	9.42	18.03	-	0.50	18.03	-
Saaji Jayaram More	Director	Director Remuneration	10.03	20.00	-	34.08	30.03	-	0.68	18.03	-	0.53	18.03	-
Asston International	Director is a partner in firm	Loan Given/ (payable)	-	-	-	-	-	119.47	119.47	-	-	119.47	119.47	-
Vishakha Sakalkar	Relative of Director	Salary	-	-	-	0.50	6.00	-	0.50	6.00	-	2.49	6.00	-
Raj More	Relative of Director	Salary	-	-	-	-	-	-	0.50	6.00	-	2.49	6.00	-
Sachin Badakh	Director	Factory expense	-	6.67	-	-	-	-	-	-	-	-	-	-
		Salary	4.00	8.00	-	-	-	-	-	-	-	-	-	-
Ferron Lifecare Private Limited	Companies under same management	Processing charges	33.28	128.84	-	3.31	70.20	-	68.74	38.00	-	58.11	81.81	-



- A) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease reements are duly executed in favour of the lessee) are held in the name of the Company.
- B) The Company does not have any investment property.
- C) The Company has not revalued its Property, Plant and Equipment and Intangible assets.
- D) There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 30 Nov 2024:
- (i) repayable on demand; or,
  - (ii) without specifying any terms or period of repayment.
- F) The company is not declared willful defaulter by any bank or financial institution or other lender.
- G) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- I) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the undrstanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- K) No tranşactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.
- L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



## Annexure 30: Restated Statement of Ratios

(Amount in Lakhs)

Sr No.	Particulars	As at 30th Nov, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	% Change	% Change
		1	2	3	4	(2-3)/(3)	(3-4)/(4)
1	<b>Current Ratio (in times)</b>						
	Current Assets	2,370.15	1,833.56	1,069.28	737.88		
	Current Liabilities	1,260.76	1,205.78	978.77	755.57		
	<b>Current Ratio</b>	<b>1.88</b>	<b>1.52</b>	<b>1.09</b>	<b>0.98</b>	<b>39.19%</b>	<b>11.87%</b>
2	<b>Debt-Equity Ratio (in times)</b>						
	Total Debts	697.11	681.99	524.51	330.96		
	Share Holder's Equity + RS	976.74	639.25	198.59	92.93		
	<b>Debt-Equity Ratio</b>	<b>0.71</b>	<b>1.07</b>	<b>2.64</b>	<b>3.56</b>	<b>-59.61%</b>	<b>-25.84%</b>
3	<b>Debt Service Coverage Ratio (in times)</b>						
	Earning available for debt service	418.75	231.21	176.92	54.41		
	Interest + Installment	217.46	145.46	106.97	54.68		
	<b>Debt Service Coverage Ratio</b>	<b>1.93</b>	<b>1.59</b>	<b>1.65</b>	<b>1.00</b>	<b>-3.89%</b>	<b>66.20%</b>
4	<b>Return on Equity Ratio (in %)</b>						
	Net After Tax	337	136	106	11		
	Share Holder's Equity	808	419	146	111		
	<b>Return on Equity Ratio</b>	<b>41.77%</b>	<b>32.47%</b>	<b>72.49%</b>	<b>9.98%</b>	<b>-55.21%</b>	<b>626.41%</b>
5	<b>Inventory Turnover Ratio (in times)</b>						
	Cost of Goods Sold	1,152.69	975.41	334.93	767.37		
	Average Inventory	80.80	146.99	100.21	86.79		
	<b>Inventory turnover ratio</b>	<b>14.27</b>	<b>6.64</b>	<b>3.34</b>	<b>8.84</b>	<b>98.55%</b>	<b>-62.20%</b>
6	<b>Trade Receivables Turnover Ratio (in times)</b>						
	Net Credit Sales	2,068	1,559	654	960		
	Average Receivable	1,921	1,238	751	533		
	<b>Trade Receivables Turnover Ratio</b>	<b>1.08</b>	<b>1.26</b>	<b>0.87</b>	<b>1.80</b>	<b>44.53%</b>	<b>-51.64%</b>
7	<b>Trade Payables Turnover Ratio (In Times)</b>						
	Credit Purchase	751	821	368	595		
	Average Payable	548	568	503	366		
	<b>Trade Payables Turnover Ratio</b>	<b>1.37</b>	<b>1.45</b>	<b>0.73</b>	<b>1.62</b>	<b>98.11%</b>	<b>-55.03%</b>
8	<b>Net Capital Turnover Ratio (In Times)</b>						
	Revenue from Operations	2,068	1,559	654	960		
	Net Working Capital	1,109	628	91	18		
	<b>Net capital turnover ratio</b>	<b>1.86</b>	<b>2.48</b>	<b>7.22</b>	<b>54.26</b>	<b>-65.63%</b>	<b>-113.31%</b>
9	<b>Net Profit ratio (in %)</b>						
	Net Profit	337.49	136.03	105.66	11.06		
	Sales	2,068.16	1,558.62	653.80	959.85		
	<b>Net Profit ratio</b>	<b>16.32%</b>	<b>8.73%</b>	<b>16.16%</b>	<b>1.15%</b>	<b>-46.00%</b>	<b>1302.88%</b>

Annexure 30: Restated Statement of Ratios

(Amount in Lakhs)

Sr No.	Particulars	As at 30th Nov, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	% Change	% Change
		1	2	3	4	(2-3)/(3)	(3-4)/(4)
10	<b>Return on Capital employed (in %)</b>						
	Earning Before Interest and Taxes	532	275	213	59		
	Capital Employed	1,197	802	380	187		
	<b>Return on Capital employed</b>	<b>44.47%</b>	<b>34.29%</b>	<b>56.08%</b>	<b>31.68%</b>	<b>-38.86%</b>	<b>77.03%</b>
11	<b>Return on investment. (in %)</b>						
	Return	4.90	4.01	1.21	0.02		
	Investments	0.06	70.86	67.34	-		
	<b>Return on investment</b>	<b>7886.96%</b>	<b>5.65%</b>	<b>1.80%</b>	<b>0.00%</b>	<b>214.39%</b>	<b>#DIV/0!</b>

Note: Reason for the ratios are not disclosed wrt comparative between FY 23-24 & Upto 30.11.2024 as data provided of previous year is year on year basis and Current Period Data provided is of Eight months.

\* Reason for variance More than 25 %

- 1 **Current ratio**  
Higher Trade Receivables in FY 2024  
NA
- 2 **Debt-Equity Ratio (in times)**  
New loans taken in FY 2024  
New loans taken in FY 2023
- 3 **Debt Service Coverage Ratio (in times)**  
New loans were disbursed and earnings increased in FY 2024  
New loans were disbursed and earnings increased in FY 2023
- 4 **Return on Equity Ratio (in %)**  
Margin increases in FY 2024  
Margin increases in FY 2023
- 5 **Inventory Turnover Ratio (in times)**  
Higher COGS in FY 2024  
Lower COGS in FY 2023
- 6 **Trade Receivables Turnover Ratio (in times)**  
Receivables remain higher in FY 2024  
Receivables remain Lower in FY 2023
- 7 **Trade Payables Turnover Ratio (In Times)**  
Payables remain higher in FY 2024  
Payables remain lower in FY 2023
- 8 **Net Capital Turnover Ratio (In Times)**  
Receivables increases in FY 2024  
Receivables increases in FY 2023
- 9 **Net Profit ratio (in %)**  
Margin increases in FY 2024  
Margin increases in FY 2023
- 10 **Return on Capital employed (in %)**  
Margin increases in FY 2024  
Margin increases in FY 2023
- 11 **Return on investment. (in %)**  
New FD placed during the year 2024  
New FD placed during the year 2023



**Annexure 31: Restated Expenditure on Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

**Amount spent during the year on:**

Particulars	In cash/ bank		Yet to be paid in cash/bank	
	(i) Construction/ acquisition of any asset (i) above	(ii) On purposes other than (i) above	(i) Construction/ acquisition of any	(ii) On purposes other than (i) above
As at 30th Nov, 2024	-	-	-	-
As at 31st March, 2024	-	-	-	-
As at 31st March, 2023	-	-	-	-
As at 31st March, 2022	-	-	-	-

**Details of Corporate Social Responsibility (CSR) expenditure**

Particulars	As at 30th Nov, 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
1. Amount required to be spent by the company during the year	-	-	-	-
2. Amount of expenditure incurred	-	-	-	-
Shortfall / (Excess incurred) at the end of the year (1-2)	-	-	-	-
Total of previous years shortfall	-	-	-	-
Reason for shortfall	-	-	-	-



## OTHER FINANCIAL INFORMATION

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

### Statement of Accounting & Other Ratios, As Restated:

(₹ in lakhs unless otherwise mentioned)

Particulars	30.11.2024	31.03.2024	31.03.2023	31.03.2022
Net Profit as Restated - (A)	337.49	136.03	105.66	11.06
Add: Depreciation	4.24	5.07	3.69	0.83
Add: Finance Cost	89.10	93.27	72.09	43.35
Add: Income Tax/ Deferred Tax	105.70	45.69	35.60	4.83
Less: Other Income	157.82	25.47	65.39	95.61
<b>EBITDA</b>	<b>378.71</b>	<b>254.58</b>	<b>151.66</b>	<b>-35.55</b>
<b>EBITDA Margin (%)</b>	<b>18.31%</b>	<b>16.33%</b>	<b>23.20%</b>	<b>-3.70%</b>
Net Worth as Restated - (B)	976.74	639.25	198.59	92.93
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>34.55%</b>	<b>21.28%</b>	<b>53.21%</b>	<b>11.90%</b>
<b>Profit After Tax (₹ in lakhs)</b>	<b>337.49</b>	136.03	105.66	11.06
Number of Equity Share at the end of year (Pre-Bonus/Sub-Division) - (C)	7,83,920	7,18,853	7,00,000	11,890
Number of Equity Shares Considering Bonus Impact (D) (Post Bonus/Sub-divison) after restated period with retrospective Effect)	62,71,360	57,50,826	56,00,000	95,123
Basic/Diluted Earnings per Equity Share as Restated – (Pre-Bonus) (A/C)	43.05	18.92	15.09	93.00
Basic/Diluted Earnings per Equity Share as Restated – (Post Bonus) (A/D)	5.38	2.37	1.89	11.62
Average number of equity shares outstanding during the period/ year (before Considering Bonus issue) for NAV (E)	7,83,920	7,83,920	7,00,000	7,00,000
Average number of equity shares outstanding during the period/ year (Considering Bonus issue) for NAV (F)	62,71,360	62,71,360	56,00,000	56,00,000
Net Asset Value per Equity share as Restated (Pre-Bonus) - (B/E)	124.60	81.55	28.37	13.28
Net Asset Value per Equity share as Restated (After Bonus) - (B/F)	15.57	10.19	3.55	1.66

#### Note:

1.  $EBITDA\ Margin = EBITDA / Total\ Revenues$
2.  $Net\ worth = Paid\ up\ share\ capital\ plus\ reserves\ and\ surplus\ less\ miscellaneous\ expenditure\ to\ the\ extent\ not\ written\ off$
3.  $Earnings\ per\ share\ (₹) = Profit\ available\ to\ equity\ shareholders / Weighted\ No.\ of\ shares\ outstanding\ at\ the\ end\ of\ the\ year$
4.  $Return\ on\ Net\ worth\ (%) = Restated\ Profit\ after\ taxation / Net\ worth \times 100$
5.  $Net\ asset\ value/Book\ value\ per\ share\ (₹) = Net\ worth / No.\ of\ equity\ shares$
6. *The Company does not have any revaluation reserves or extra-ordinary items.*

## STATEMENT OF FINANCIAL INDEBTEDNESS

To,  
**Asston Pharmaceuticals Limited**  
4th Floor, Office No A-431 Balaji Bhavan,  
Plot No 42A Sector-11 CBD Belapur,  
Navi Mumbai, Thane - 400614, Maharashtra, India.

Dear Sir,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Asston Pharmaceuticals Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on November 30, 2024 are mentioned below:

### A. SECURED LOANS -LONG TERM

#### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

##### 1. Long Term- From Banks and Other Entities

S.No.	Lender	Nature of Facility	Loan	Outstanding as on 30th Nov, 2024	Rate of Interest/Margin	Repayment Term	Security Clause
1	Bank of Maharashtra	Vehicle Loan	27.40	20.87	Rate of Interest is 11.30% p.a.	Principal repayable in 84 principal installments of Rs. 0.48 lakhs starting from Aug 2022	Secured against Vehicle

### B. UNSECURED LOANS- LONG TERM

SNo.	Lender	Nature of Facility	Loan	Outstanding as on 30th Nov, 2024	Rate of Interest/Margin	Repayment Term	Security Clause
1	Ashv Finance Ltd	Term Loan	30.00	27.46	Rate of Interest is 19.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.11 lakhs starting from Aug 2024.	Unsecured
2	Axis Bank Limited	Term Loan	20.00	6.40	Rate of Interest is 1 Year MCLR 8.1% p.a. + Spread 6.9% p.a.	Principal repayable in 36 principal installments of Rs. 0.69 lakhs starting from Oct 2022.	Unsecured
3	Bajaj Finance Ltd. (Loan 1)	Term Loan	15.74	5.04	Rate of Interest is 18% p.a.	Principal repayable in 48 principal installments of Rs. 0.46 lakhs starting from Dec 2021.	Unsecured
4	Bajaj Finance Ltd. (Loan 2)	Term Loan	21.59	16.05	Rate of Interest is 16% p.a.	Principal repayable in 36 principal installments of Rs. 0.75 lakhs starting from Jan 2024.	Unsecured



SNo.	Lender	Nature of Facility	Loan	Outstanding as on 30th Nov, 2024	Rate of Interest/Margin	Repayment Term	Security Clause
5	Clix Capital Services Ltd.	Term Loan	35.43	33.20	Rate of Interest is 19.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.30 lakhs starting from Sept 2024.	Unsecured
6	Deutsche Bank Ltd.	Term Loan	50.00	45.27	Rate of Interest is 16.5% p.a.	Principal repayable in 36 principal installments of Rs. 1.77 lakhs starting from Aug 2024	Unsecured
7	Poonawalla Fincorp Ltd	Term Loan	25.00	19.65	Rate of Interest is 17.5% p.a.	Principal repayable in 36 principal installments of Rs. 0.91 lakhs starting from Feb 2024	Unsecured
8	Unity Small Finance Bank Ltd.	Term Loan	17.34	12.80	Rate of Interest is 20.0% p.a.	Principal repayable in 36 principal installments of Rs. 0.64 lakhs starting from Jan 2024	Unsecured
9	IIFL Finance Ltd.	Term Loan	15.17	14.21	Rate of Interest is 18.5% p.a.	Principal repayable in 36 principal installments of Rs. 0.55 lakhs starting from Sept 2024	Unsecured
10	L&T Finance Ltd.	Term Loan	20.00	19.11	Rate of Interest is 17.0% p.a.	Principal repayable in 48 principal installments of Rs. 0.57 lakhs starting from Sept 2024.	Unsecured
11	Kisetsu Saison Finance (India) Private Limited	Term Loan	25.50	23.44	Rate of Interest is 18.5% p.a.	Principal repayable in 30 principal installments of Rs. 1.06 lakhs starting from Sept 2024.	Unsecured
12	Hero Fincorp Ltd.	Term Loan	30.35	28.37	Rate of Interest is 17.0% p.a.	Principal repayable in 36 principal installments of Rs. 1.08 lakhs starting from Sept, 2024	Unsecured
13	Tata Capital Ltd.	Term Loan	35.00	32.71	Rate of Interest is 17.0% p.a.	Principal repayable in 36 principal installments of Rs. 1.25 lakhs starting from Sept, 2024	Unsecured
14	Protium Finance Ltd.	Term Loan	25.00	23.00	Rate of Interest is 19.25% p.a.	Principal repayable in 30 principal installments of Rs. 1.05 lakhs starting from Sept 2024	Unsecured

SNNo.	Lender	Nature of Facility	Loan	Outstanding as on 30th Nov, 2024	Rate of Interest/Margin	Repayment Term	Security Clause
15	Ambit Finance Ltd.	Term Loan	25.30	22.66	Rate of Interest is 20.0% p.a.	Principal repayable in 24 principal instalments of Rs. 1.28 lakhs starting from Sept 2024	Unsecured
16	Loan From Ashish Sakalkar	Loan from Others	135.00	135.00	NIL	Repayable on Demand	Unsecured
17	Loan From Saili More	Loan from Others	41.87	41.87	NIL	Repayable on Demand	Unsecured
18	Amrit Polychem Pvt Ltd	Loan from Others	70.00	70.00	NIL	Repayable on Demand	Unsecured
19	Comercinate Enterprises Pvt Ltd	Loan from Others	100.00	100.00	NIL	Repayable on Demand	Unsecured
<b>Total</b>			<b>738.28</b>	<b>676.24</b>			

This certificate may be relied upon by the Book Running Lead Managers appointed in relation to the Issue. We hereby give our consent to include extracts of this certificate and being used in the Draft Red Herring Prospectus/Prospectus in connection with the Issue and for submission to the Securities Exchange Board of India, relevant stock exchanges and any other authority as may be required. We further give my consent for the above-mentioned details being included for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable laws.

For,  
Doshi Doshi & Co.  
Chartered Accountants  
Firm's Registration Number – 153683W

Chintan R. Doshi  
Membership Number - 158931  
UDIN-25158931BMIFPF5458

Place: Ahmedabad  
Date: December 27, 2024

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements as at 30<sup>th</sup> November, 2024, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Restated Financial Information*” and “*Risk Factors*” beginning on page no. 213, 207 and 28 respectively of this Draft Red Herring Prospectus.

### *Consolidated Statement of Capitalization, As Restated:*

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	30.11.2024	
<b>Borrowing:</b>		
Short term (A)	346.86	[●]
Long term (including current maturities of long-term debt) (b)	350.24	[●]
<b>Total Debt</b>	<b>697.11</b>	<b>[●]</b>
<b>Shareholders’ Fund:</b>		
Equity Share Capital	627.14	[●]
Reserves and Surplus	349.60	[●]
<b>Total Shareholders’ Fund</b>	<b>976.74</b>	<b>[●]</b>
<b>Long Term Debt/Shareholders’ Fund</b>	<b>0.36</b>	<b>[●]</b>
<b>Total Debt/Shareholders’ Fund</b>	<b>0.71</b>	<b>[●]</b>

\*The Corresponding post issue figure are not determinable at this stage, due to pendency of public issue, hence not furnished.

#### **Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above excluding installment of term loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2024

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled "Financial Information of the Company" beginning on page 207. You should also read the section titled "Risk Factors" on page 28 and the section titled "Forward Looking Statements" on page 19 of this Draft Red Herring Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated December 05, 2024, which is included in this Draft Red Herring Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### **Business Overview**

Our Company is engaged in the manufacturing and export of both pharmaceutical formulations and nutraceutical products in domestic and various African markets. Our Company operates under brand "Asston". Presently, our Company is involved in the business of manufacturing and marketing of Tablets, Capsules, Oral Liquid, External Preparations (Ointment, Cream, Gel and Lotion) and Oral Powder (Sachet, Dry Syrup) etc. Apart from manufacturing products for direct sales, our Company also manufactures various pharmaceutical products for different marketers on loan license or on contract manufacturing basis. Our business is majorly carried out on principle-to-principle basis with different marketers.

As on the date, we cater to multiple corporate clients on loan licence and/or contract manufacturing basis. Currently, our Company has its production facility at Ambernath, Maharashtra, for producing generic medicines in the tablet form and nutraceutical medicines in the tablet form, syrup and sachet form. We have a dedicated and separate floors for pharmaceutical products and nutraceutical products respectively as the norms and standards are different for both of them and are governed by FDA and FSSAI respectively. Since the FDA norms for pharmaceutical products are much more stringent, to comply with FDA standards separate guidelines are there to be followed. Facility has total production capacity of up to around 8-9 crore tablets per month. Our Company produces an average of 5-6 crore tablets per month, with production capacity varying based on the weight of the medicines. Higher-weight medicines result in lower production quantities and vice versa. The syrup production capacity for nutraceuticals is approximately 37.5 kiloliters per month, while sachet production capacity ranges from 30 to 40 lakh sachets per month, depending on the powder weight per sachet. The facility is certified by relevant authorities and undergoes periodic audits by state and central FDA authorities. It includes a QA/QC unit and a warehouse for storing raw materials and finished goods in designated chambers under controlled conditions. The Company engages contract manufacturers to produce generic medicines and antibiotics in various forms, including tablets, sachets, syrups, and capsules. All contract manufacturers are WHO-GMP certified to ensure their facilities and processes comply with applicable standards and industry norms.

We also have our own set up of regulatory department for our formulation development and have tie-ups with 2 NABL accredited laboratories, ensuring adherence to industry standards from production to export. From manufacturing to exports and distributions, our Company takes responsibility and oversees each phase of the supply chain.

Our Company is FDA certified by both the Central and State FDA, accredited by NQA (Nuclear Quality Assurance), and complies with the Quality Management System (QMS) standards. For further details, please refer to the section titled "Government and Other Approvals" on page 226 of this Draft Red Herring Prospectus. We are committed to maintaining compliance with health, safety, and quality standards.

Currently, we hold over 150 registered trademarks for our pharmaceutical formulations. Our primary products include capsules, syrups, sachets, and injectables (LVP and SVP), which are sold globally, with pharmacies as our main customers. We offer a broad range of products, including generic medicines, pediatric drugs, New to the Basket (NTTB) treatments, and eye drops. We ensure the highest quality standards at every stage of manufacturing through stringent checks to meet both domestic and international regulatory requirements. Our products are distributed in various global markets, such as South Africa and the West African region.

We provide formulation knowledge to contract manufacturers for the production of syrups, tablets, and injectables. We have entered into five-year agreements with five WHO-GMP-certified contract manufacturers. One of them manufactures antibiotics, while the other entities produce generic medicines. We are in the process of executing a loan license agreement with a contract

manufacturer based in Gujarat to reduce reliance on existing manufacturers and enhance capacity for ointment production. Currently, only one is engaged in the production of ointments.

We supply raw materials (API and excipients) and packaging materials to Kalash Pharmachem Pvt Ltd, Inducare Pharmaceuticals and Research Foundation, Biotime Pharmaceuticals Pvt. Ltd, Bushal Chemi pharma Pvt. Ltd. to contract produce finished goods for us while with Asuwaldi Pharmaceuticals, we procure finished goods from them. All these manufacturing facilities have warehouse facility as well to support the production in the form of storing raw materials and finished goods by keeping them in controlled and desired conditions. This adjacent warehouse facility eradicates transportation hassles and cost overhead and smoothens the overall production process. Furthermore, we have an in-house regulatory department responsible for formulation development and quality and maintain agreements with an NABL-accredited laboratory named Inducare Pharmaceuticals and research Foundation (PTL) and QSL Quality Solution Laboratory, for product quality assessments of the end product.

Our operations are classified under orange and green zones, signifying adherence to environmental regulations in manufacturing and operations. Additionally, our in-house Quality Assurance/Quality Control (QA/QC) team ensures that our products meet established quality standards and supports formulation development and regulatory compliance across our product range. Our regulatory department prepares and manages product dossiers in line with guidelines from various global regulatory authorities, facilitating the smooth export and market entry of our products into international markets.

Our Company operates in supplying pharmaceutical products directly to distributors and pharmacies and we intend to deliver quality products on low-cost formulations at affordable pricing for price-sensitive markets. Since inception in 2019, our Company has engaged in trade across more than 10 countries, ensuring the provision of products at competitive pricing. Our Company's operations are supported by experienced founders with expertise in managing supply chains and maintaining product quality.

Our Company was incorporated on 16<sup>th</sup> April 2019 as Asston Pharmaceutical Pvt. Limited to contract produce pharmaceutical products for export market. Ferron Lifecare Private Limited, incorporated on 30<sup>th</sup> January 2020 was promoted by Dr. Ashish Sakalkar and Mr. Sachin Badakh. Finally, "Asston Pharmaceuticals Private Limited" was converted from a private limited into a public limited company in the name of "Asston Pharmaceuticals Limited" on 29<sup>th</sup> August 2024 and received FDA approval for our Ambarnath facility on 2<sup>nd</sup> December 2024 to produce pharmaceutical products.

Our Company has experienced significant growth, with a current strength of over 50 team members and growing. The team operates under the leadership of the promoters, Dr. Ashish Sakalkar, Mrs. Saili More and Mr. Sachin Badakh, who possesses an expertise in formulations, market operations, and exports of healthcare product in the pharmaceutical industry. For further information on the promoters, refer to the chapter titled "*Our Promoters and Promoter Group*" on page 200 of this Draft Red Herring Prospectus.

#### **Details of material developments after the date of last balance sheet i.e. November 30, 2024**

After the date of last Balance sheet i.e. November 30, 2024, the following material events have occurred after the last audited period:

- The Issue has been authorized by a resolution of our Board of Directors through their meeting dated December 10, 2024 and by a special resolution of our Shareholders at Annual General Meeting dated January 06, 2025.

#### **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 28 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- ***Regulatory Framework***

We have secured all the necessary regulatory approvals to operate our business. Some of these approvals are time-bound and need to be renewed periodically as part of our routine operations. However, changes in regulations can occur unexpectedly, and we cannot predict when this may happen. We cannot guarantee that future changes in regulations won't affect our business operations.

- ***Market & Economic conditions***

India is one of the largest and fastest-growing economies. However, in today's globalized world, businesses face uncertainty due to unexpected events like pandemics, wars, climate changes, and supply chain disruptions. These events can shift economic conditions and affect customers' ability to purchase. During a market slowdown, demand decreases, which negatively impacts our business.

- **Ability of Management**

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of any member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

- **Competition**

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of products. Our Company may face stiff competition from domestic as well as global market as the dynamic changes. Some of our competitors may have greater resources than those available to us. While service quality, technical ability, performance records, etc are key factors in client decisions among competitors, however, price & quality are the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Moreover, as we seek to diversify into new geographical areas, new territories, new emerging markets, we face competition from competitors that have a pan India presence and also from competitors that have a strong presence in regional markets. The markets in which we compete and intend to compete are undergoing, and are expected to continue to undergo, rapid and significant change. We expect competition to intensify as technological advances and consolidations continue. These competitive factors may force us to reduce rates, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Our ability to successfully allotment of new orders/ tenders.
- Failure to adapt to the changing needs of industry and in particular government policies and regulations may adversely affect our business and financial condition;

Significant Developments after November 30, 2024 that may affect our Future Results of Operations.

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

### Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Sr. No.	Particulars	For the period ended	For the year ended		
		November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
1	Revenue from operations <sup>(1)</sup>	2,068.16	1,558.62	653.80	959.85
2	EBITDA <sup>(2)</sup>	378.71	254.58	151.66	(35.55)
3	EBITDA (%) Margin <sup>(3)</sup>	18.31%	16.33%	23.20%	(3.70%)
4	PAT <sup>(4)</sup>	337.49	136.03	105.66	11.06
5	PAT Margin <sup>(5)</sup>	16.32%	8.73%	16.16%	1.15%
6	Return on Equity (ROE) % <sup>(6)</sup>	41.77%	32.47%	72.49%	9.98%
7	ROCE % <sup>(7)</sup>	44.47%	34.29%	56.08%	31.68%

Sr. No.	Particulars	For the period ended	For the year ended		
		November 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
8	Debt- Equity Ratio <sup>(8)</sup>	0.71	1.07	2.64	3.56
9	Net Fixed Assets Turnover Ratio (Times) <sup>(9)</sup>	23.66	14.29	5.78	10.46
10	Current Ratio (Times)	1.88	1.52	1.09	0.98
11	EPS <sup>(10)</sup>	5.38	2.37	1.89	11.62

**Notes:**

1. Revenue from operations is the total revenue generated by our Company.
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 is Profit Before Tax-current tax-deferred tax.
5. PAT Margin is PAT/Revenue from operations
6. ROE is Net profit after tax/Total Equity
7. ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total debt
8. Debt Equity Ratio is Net Debt/Total equity\*Net debt =non current borrowing +current borrowing -cash and cash equivalent, Bank balance and investment in Mutual funds. Total Equity= Equity share capital +other equity
9. Net fixed asset turnover ratio=Revenue from operations/Fixed Asset
10. Current Ratio: Current Asset over Current Liabilities
11. EPS is mentioned as EPS for the period

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### Discussion on Result of Operations

Restated Financial Statements for financial period ended on November 30, 2024, and years ended on March 31, 2024, March 31, 2023, and March 31, 2022.

(Amount in ₹ Lakhs)

Particulars	Period Ended 30th November, 2024	% of Total revenue	Year Ended 31st March, 2024	% of Total revenue	Year Ended 31st March, 2023	% of Total revenue	Year Ended 31st March, 2022	% of Total revenue
<b>Revenue</b>								
<b>Revenue from operations</b>	2,068.16	92.91%	1,558.62	98.39%	653.80	90.91%	959.85	90.94%
<b>Other income</b>	157.82	7.09%	25.47	1.61%	65.39	9.09%	95.61	9.06%
<b>Total Revenue (A)</b>	<b>2,225.98</b>	<b>100.00%</b>	<b>1,584.09</b>	<b>100.00%</b>	<b>719.19</b>	<b>100.00%</b>	<b>1,055.46</b>	<b>100.00%</b>
<b>Expenses</b>								
<b>Cost of Raw Material Consumed</b>	1,152.69	51.78%	975.41	61.58%	334.93	46.57%	767.37	72.71%
<b>Employee Benefits Expense</b>	67.41	3.03%	88.10	5.56%	59.30	8.25%	61.80	5.86%
<b>Finance Costs</b>	89.10	4.00%	93.27	5.89%	72.09	10.02%	43.35	4.11%
<b>Depreciation and amortisation Expense</b>	4.24	0.19%	5.07	0.32%	3.69	0.51%	0.83	0.08%
<b>Other Expenses</b>	469.35	21.09%	240.53	15.18%	107.91	15.00%	166.22	15.75%
<b>Total Expenses (B)</b>	<b>1,782.79</b>	<b>80.09%</b>	<b>1,402.37</b>	<b>88.53%</b>	<b>577.93</b>	<b>80.36%</b>	<b>1,039.57</b>	<b>98.49%</b>
<b>PROFIT BEFORE TAX</b>	<b>443.19</b>	<b>19.91%</b>	<b>181.72</b>	<b>11.47%</b>	<b>141.27</b>	<b>19.64%</b>	<b>15.88</b>	<b>1.51%</b>
<b>Tax Expense</b>								
<b>Current tax</b>	110.78	4.98%	46.59	2.94%	34.00	4.73%	3.17	0.30%
<b>Deferred tax (credit)/charge</b>	(5.07)	(0.23%)	(0.91)	(0.06%)	1.60	0.22%	1.66	0.16%
<b>Total Tax Expenses</b>	<b>105.70</b>	<b>4.75%</b>	<b>45.69</b>	<b>2.88%</b>	<b>35.60</b>	<b>4.95%</b>	<b>4.83</b>	<b>0.46%</b>
<b>Profit for the period / year</b>	<b>337.49</b>	<b>15.16%</b>	<b>136.03</b>	<b>8.59%</b>	<b>105.66</b>	<b>14.69%</b>	<b>11.06</b>	<b>1.05%</b>



## Overview of Revenue & Expenditure

**Revenue from operations:** Revenue from operations primarily derives from the export of medicines and domestic sales of medicines (both nutraceutical and pharmaceutical).

### Other Income:

Other income primarily comprises of export incentive received by the Company and Foreign exchange gains.

### Total Expenses:

Total expenses consist of operating cost like Cost of Material consumed, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

### Cost of Material consumed

Cost of Material consumed expenses primarily comprises of Purchase of raw material, Labour charges, registration charges and change in stock of raw material.

### Employee benefits expense:

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses to Staff and Directors, Staff welfare expenses, and Gratuity.

### Finance Costs:

Our finance cost includes Interest expenses, Loan Processing Charges and Bank charges.

### Depreciation and Amortization Expenses:

Depreciation includes depreciation on Plant & machinery, Computers, furniture and fixtures, Vehicles and office equipment.

### Other Expenses:

- ◆ Other Expenses consists of Clearing and Forwarding charges, Rates and Taxes, Legal and Professional fee, Insurance expenses, Transportation expense and Repair and maintenance.

## FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED NOVEMBER 30, 2024

### Total Income:

Total income for the period ended November 30, 2024, stood at ₹ 2,225.98 Lakhs. The total income consists of revenue from operations and other income.

### Revenue from Operations

During the period ended November 30, 2024, the net revenue from operation of our Company was ₹ 2,068.16 Lakhs from Engineering, Procurement and Engineering.

### Other Income:

During the period ended November 30, 2024, the other income of our Company stood at ₹ 157.82 Lakhs. The main components of the other income are from interest on FDR.

### Total Expenses

Total expenses consist of cost like cost of material consumed, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses. During the period ended November 30, 2024, the total expenses of our Company stood at ₹1,782.79 Lakhs.

### **Cost of Material consumed**

During the period ended November 30, 2024, the Cost of Material consumed expenses of our Company stood at ₹ 1,152.69 Lakhs. Our Cost of Material consumed expenses primarily comprises of Purchase of material and other attributable costs related to purchase of raw material, during the period ended November 30, 2024.

### **Employee benefits expense:**

During the period ended November 30, 2024, the employee benefit expenses of our Company stood at ₹ 67.41 Lakhs. The main components of Salaries and bonus, Director Remuneration and Gratuity Expense.

### **Finance Costs:**

During the period ended November 30, 2024, the finance cost expenses of our Company stood at ₹ 89.10 Lakhs. Our finance cost includes Interest expenses and Other Borrowing Costs.

### **Depreciation and Amortization Expenses:**

During the period ended November 30,2024 the Depreciation and amortization charges of our Company stood at ₹ 4.24 Lakhs.

### **Other Expenses:**

During the period ended November 30, 2024, the Other Expenses of our Company stood at ₹ 469.35 Lakhs. Other Expenses mainly consists of Rates and Taxes, Legal and Professional fee, Insurance expenses, Business Promotion Expense, Travelling and Conveyance Expenses, and Repair maintenance.

### **Restated Profit before tax:**

The Company reported Restated profit before tax for period ending November 30, 2024, of ₹ 443.19 Lakhs.

### **Restated profit after tax:**

The Company reported Restated profit after tax for period ending November 30,2024 of ₹ 337.49 Lakhs.

## **FINANCIAL YEAR ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023**

### **Total Income:**

Total income for the financial year 2023-24 stood at ₹ 1,584.09 Lakhs whereas in Financial Year 2022-23 the same stood at ₹ 719.19 Lakhs representing an increase of 120.26%. The main reason of increase due to increase in export business of the Company.

### **Revenue from Operations**

During the financial year 2023-24 the net revenue from operation of our Company increased to ₹ 1,558.62 Lakhs as against ₹ 653.80 Lakhs in the Financial Year 2022-23 representing an increase of 138.39%. The increase in revenue from operations was due to increase in export business of the Company.

### **Other Income:**

During the financial year 2023-24 the other income of our Company is ₹ 25.47 Lakhs as against ₹ 65.39 lakhs in the Financial Year 2022-23 representing a decrease of 61.05 % which was due to foreign exchange loss in FY2023-24 and foreign exchange gain in FY2022-23.

### **Total Expenses:**

The total expense for the financial year 2023-24 increased to ₹ 1,402.37 Lakhs from ₹ 577.93 lakhs in the Financial Year 2022-23 representing an increase of 142.66%. Such increase was majorly due to increase in Cost of Raw Materials Consumed during the year.

**Cost of material consumed:**

The Cost of material consumed for the financial year 2023-24 increased to ₹ 975.41 lakhs from ₹ 334.93 lakhs in the Financial Year 2022-23 representing an increase of 191.23%. Such increase was due to increase in business operations of the Company. Major contributor for such increase is due to increase in Purchases of Raw materials during the year.

**Employee benefits expense:**

Our Company has incurred ₹ 88.10 Lakhs as Employee benefits expense during the financial year 2023-24 as compared to ₹ 59.30 Lakhs in the financial year 2022-23.

The increase of 48.56% was due to increase in Director's remuneration and Gratuity expenses during the year.

**Finance Cost:**

Our Company has incurred ₹93.27 Lakhs as finance cost during the financial year 2023-24 as compared to ₹ 72.09 Lakhs in the financial year 2022-23. The increase of 29.37 % was due to increase in term loan during the of FY 2023-2024.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2023-24 stood at ₹ 5.07 Lakhs as against ₹ 3.69 Lakhs during the financial year 2022-23. The increase in depreciation was around 37.22 %.

**Other Expenses:**

Our Company has incurred ₹ 240.53 Lakhs during the Financial Year 2023-24 on other expenses as against ₹ 107.91 Lakhs during the financial year 2022-23. There was an increase of 122.92 %. This was due to – (i) increase in clearing and forwarding charges during the year. (ii) foreign exchange loss during FY 2023-24.

**Restated profit before tax:**

Net profit before tax for the financial year 2023-24 increased to ₹ 181.72 Lakhs as compared to ₹ 141.27 Lakhs in the financial year 2022-23. The increase of 28.63 % was majorly due to factors as mentioned above.

**Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year 2023-24 increased by 28.74% from net profit of ₹ 105.66 Lakhs in financial year 2022-23 to net profit ₹ 136.03 lakhs in financial year 2023-24.

**FINANCIAL YEAR ENDED MARCH 31, 2023, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022****Total Income:**

Total income for the financial year 2022-23 stood at ₹ 719.19 Lakhs whereas in Financial Year 2021-22 the same stood at ₹ 1,055.46 Lakhs representing a decrease of 31.86%. The main reason of decrease in total income was due to some exceptional condition met in export business during the year.

**Revenue from Operations**

During the financial year 2022-23 the net revenue from operation of our Company decreased to ₹ 653.80 Lakhs as against ₹ 959.85 Lakhs in the Financial Year 2021-22 representing a decrease of 31.88%. The reason for decrease in revenue from operations was due to some exceptional condition met in export business during the year.

**Other Income:**

During the financial year 2022-23 the other income of our Company is ₹ 65.39 as against ₹ 95.61 in the Financial Year 2021-22 representing a decrease of 31.60 % which was due to decrease in Export incentive and foreign exchange gain.

**Total Expenses:**

The total expense for the financial year 2022-23 decreased to ₹ 577.93 Lakhs from ₹ 1,039.57 lakhs in the Financial Year 2021-22 representing an decrease of 44.41%. Such decrease was due to decrease in business operations of the Company. Major reason for such increase is due to decrease in cost of material consumed in the financial year 2022-23.

**Cost of material consumed:**

The Cost of material consumed for the financial year 2022-23 decreased to ₹ 334.93 lakhs from ₹ 767.37 lakhs in the Financial Year 2021-22 representing a decrease of 56.35%. Such decrease was due to decrease in business operations of the Company.

**Employee benefits expense:**

Our Company has incurred ₹ 59.30 Lakhs as Employee benefits expense during the financial year 2022-23 as compared to ₹ 61.80 Lakhs in the financial year 2021-22.

The decrease of 4.05 % was due to decrease in gratuity amount.

**Finance Cost:**

Our Company has incurred ₹ 72.09 Lakhs as finance cost during the financial year 2022-23 as compared to ₹ 43.35 Lakhs in the financial year 2021-22. The increase of 66.31 % was due to increase in term loan during the of FY 2023-2024.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2022-23 stood at ₹ 3.69 Lakhs as against ₹ 0.83 Lakhs during the financial year 2021-22. The increase in depreciation was around 344.89 % which was due to purchase of Fixed Assets during the year.

**Other Expenses:**

Our Company has incurred ₹ 107.91 Lakhs during the Financial Year 2022-23 on other expenses as against ₹ 166.22 Lakhs during the financial year 2021-22. There was a decrease of 35.08% mainly due (i) decrease in clearing and forwarding charges during the year.

**Restated profit before tax:**

Net profit before tax for the financial year 2022-23 increased to ₹ 141.27 Lakhs as compared to ₹ 15.88 Lakhs in the financial year 2021-22. The increase of 789.33 % was majorly due to factors as mentioned above.

**Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year 2022-23 increase by 855.58 % from net profit of ₹ 11.06 Lakhs in financial year 2021-22 to net profit ₹ 105.66 lakhs in financial year 2022-23.

**Information required as per Item (II)(C)(iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

***1. Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity except in the FY2022-23. In FY2022-23, the company has exported certain products to a country named Guinea, however, post-exporting the government of importing country imposed restrictions on usage of medicines imported from countries other than France. The exported medicines were lying in the importing country port till eight months and an order was passed by the government to burn them. Due to this, the company suffered an abnormal loss of Rs. 1,25,34,100. Except as disclosed in this Draft Red Herring Prospectus, there are no unusual or infrequent events or transactions in our Company.

***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

There are no significant economic changes that may materially affect or are likely to affect income from continuing operations.

**3. *Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “Risk Factors” beginning on page 28 of the Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Future changes in relationship between costs and revenues***

Other than as described in the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 148 and 213 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. *Segment Reporting***

Our business activity primarily falls within a single business and geographical segment, other than as disclosed in “Restated Financial Statements” on page 207, we do not follow any other segment reporting

**6. *Status of any publicly announced New Products or Business Segment***

Except as disclosed in the Chapter “Our Business” on page 148 of this Draft Red Herring Prospectus, our Company has not announced any new product or service.

**7. *Seasonality of business***

Our Company is engaged in the business of export of medicines and local sales of medicines.

**8. *Dependence on single or few customers or suppliers***

Our top ten customers contribute 94.39 %, 97.45%, 100% and 100% of our total sales for the year/period ended on November 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 respectively. Our top ten suppliers contribute 63.55%, 52.70%, 74.22 % and 78.76% of our total purchase for the year/period ended on November 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

**9. *Competitive conditions***

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titles “Business Overview” beginning on page no. 148 of this Draft Red Herring Prospectus.

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## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT

Except as stated in this section, as on date of this Draft Red Herring Prospectus, there are no outstanding: (i) criminal proceedings involving our Company, Directors, and Promoters; (ii) actions by statutory or regulatory authorities involving our Company, Directors, and Promoters; (iii) claims related to direct and indirect taxes involving our Company, Directors, and Promoters; (iv) civil litigation proceedings involving our Company, Directors, and Promoters, determined as material in accordance with our Company's policy for determination of materiality as per regulations provided under SEBI (LODR) Regulations ("Materiality Policy"); and (v) other civil proceedings involving our Company, Directors, and Promoters wherein a monetary liability is not determinable or quantifiable, or which does not exceed the threshold as specified in (iv) above, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company.

Further, as on date of this Draft Red Herring Prospectus, except as disclosed in this section: (i) Neither our Company nor Directors and Promoters have been declared as wilful defaulters or fraudulent borrowers by the RBI, SEBI, or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them and no directions have been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (ii) there are no show-cause notices / claims served on the Company, its Directors or its Promoters from any statutory authority / revenue authority that would have a material adverse effect on our business; (iii) our Company has no defaults in repayment of (a) statutory dues, (b) debentures and interest thereon, (c) deposits and interest thereon and (d) loans from any bank or financial institution and interest thereon (except where there is dispute under litigation); (iv) our Company has not made any default in annual filings of our Company under the Companies Act, 2013 or the rules made thereunder; (v) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (vi) there have been no acts of material fraud committed against our Company.

In accordance with the Materiality policy, all pending litigation involving our Company, Directors, or its Promoters, as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' and will be disclosed in this section if it exceeds 10% of the total revenue of the Company as per the last restated financial statements, i.e., Rs. 2,22,59,800/-.

Unless stated to the contrary, the information provided below is as on the date of the Draft Red Herring Prospectus.

#### **I. LITIGATION INVOLVING OUR COMPANY**

##### **1. Litigation against our Company:**

- a. Litigation Involving Criminal Law: NIL**
- b. Litigation Involving Civil Laws: NIL**
- c. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. Litigation Involving Tax Liabilities:**
  - i. Direct Tax Liabilities:**

- 1. Income Tax Demand Notice 2024202437338809374C dated 27 December 2024 issued by the Income Tax Department to the Company under section 143(1) with respect to payment of outstanding dues of Rs. 76,60,230 for Assessment Year 2024-25.

**ii. Indirect Tax Liabilities: NIL**

- e. Other Pending Material Litigations: NIL**

##### **2. Litigations filed by our Company:**

- a. Litigations Involving Criminal Laws: NIL**
- b. Litigation Involving Civil Laws: NIL**
- c. Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
- d. Litigations Involving Tax Liabilities: NIL**
  - i. Direct Tax Liabilities: NIL**
  - ii. Indirect Tax Liabilities: NIL**

- e. **Other Pending Material Litigations: NIL**

## **II. LITIGATION INVOLVING DIRECTORS OF OUR COMPANY**

1. **Litigation against Directors of our Company:**
  - a. **Litigation Involving Criminal Law: NIL**
  - b. **Litigation Involving Civil Laws: NIL**
  - c. **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
  - d. **Litigation Involving Tax Liabilities:**
    - i. **Direct Tax Liabilities: NIL**
    - ii. **Indirect Tax Liabilities: NIL**
  - e. **Other Pending Material Litigations: NIL**
2. **Litigations filed by Directors of our Company:**
  - a. **Litigations Involving Criminal Laws: NIL**
  - b. **Litigation Involving Civil Laws: NIL**
  - c. **Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
  - d. **Litigations Involving Tax Liabilities: NIL**
    - i. **Direct Tax Liabilities: NIL**
    - ii. **Indirect Tax Liabilities: NIL**
  - e. **Other Pending Material Litigations: NIL**

## **III. LITIGATION INVOLVING PROMOTERS OF OUR COMPANY**

1. **Litigation against Promoters of our Company:**
  - a. **Litigation Involving Criminal Law: NIL**
  - b. **Litigation Involving Civil Laws: NIL**
  - c. **Litigation Involving Actions by Statutory/Regulatory Authorities:**
    1. Securitisation Application No. 122/2013 filed by Corporation Bank (now merged with Union Bank of India) (“**Lender Bank**”) against Sequel Pharmaceuticals (India) Private Limited (“**Sequel**”), in which Saili Jayaram More was a Director and Guarantor, in the Court of District Magistrate Thane under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 for the outstanding amount of Rs. 2445.50 lakhs due to default in payment of loan taken against immovable properties. However, the said outstanding dues was settled through One Time Settlement (“**OTS**”) Scheme for Rs. 930 Lakhs. The Loan Closure Letter has been issued by the Lender Bank dated 19 May 2017 stating that all the accounts have been settled and closed.
  - d. **Litigation Involving Tax Liabilities:**
    - i. **Direct Tax Liabilities: NIL**
    - ii. **Indirect Tax Liabilities: NIL**
  - e. **Other Pending Material Litigations: NIL**
2. **Litigations filed by Promoters of our Company:**
  - a. **Litigations Involving Criminal Laws: NIL**
  - b. **Litigation Involving Civil Laws: NIL**
  - c. **Litigations Involving Actions by Statutory/Regulatory Authorities: NIL**
  - d. **Litigations Involving Tax Liabilities: NIL**
    - i. **Direct Tax Liabilities: NIL**
    - ii. **Indirect Tax Liabilities: NIL**
  - e. **Other Pending Material Litigations: NIL**

## **IV. LITIGATIONS INVOLVING SUBSIDIARIES OF OUR COMPANY**

Our Company does not have any Subsidiary and therefore this is not applicable to the extent of Subsidiaries.

## V. LITIGATIONS INVOLVING GROUP COMPANIES OF OUR COMPANY

### 1. Litigation against Group Companies of our Company:

- a. Litigation Involving Criminal Law: NIL
- b. Litigation Involving Civil Laws: NIL
- c. Litigation Involving Actions by Statutory/Regulatory Authorities:

1. Case No. IA 293/2021 in Company Petition (IB)/ 1130(MB) 2017 dated 21 February 2019 filed by Jeetendra Daryani, the (**Insolvency Professional**) in the matter of Vertex Chemicals v/s Arient Scientific Private Limited in the National Company Law Tribunal (Mumbai Bench) in which the liquidation was approved for the Group Company Arient Scientific Private Limited (“**Corporate Debtor**”). However, the Order dated 31<sup>st</sup> July 2024 has been passed for dissolution of the Corporate Debtor and IA No. 293/2021 stands closed.

### d. Litigation Involving Tax Liabilities:

- i. Direct Tax Liabilities: NIL
  - ii. Indirect Tax Liabilities: NIL
- e. Other Pending Material Litigations: NIL

### 2. Litigations filed by Group Companies of our Company:

- a. Litigations Involving Criminal Laws: NIL
- b. Litigation Involving Civil Laws: NIL
- c. Litigations Involving Actions by Statutory/Regulatory Authorities: NIL
- d. Litigations Involving Tax Liabilities: NIL
  - i. Direct Tax Liabilities: NIL
  - ii. Indirect Tax Liabilities: NIL
- e. Other Pending Material Litigations: NIL

## VI. OUTSTANDING DUES TO SMALL SCALE UNDERTAKING OR ANY OTHER CREDITORS

For identification of material creditors, a creditor of the Company shall be considered to be material for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditors exceeds the lower of 5% of the gross turnover or 2% of the net worth of the Company whichever is lower of the Trade payable as per the latest restated financial statements of the Company, as disclosed in this Draft Red Herring Prospectus.

As on November 30, 2024, the details of outstanding dues owed by our Company to the following class of creditors are set out below:

( ₹ in lakhs)

Particulars	No. of Creditors	Amount Outstanding as on 30 <sup>th</sup> November, 2024
Total Outstanding dues to Micro, Small and Medium Enterprise	1	49.26
Total Outstanding dues to Other creditors	7	272.05
<b>Total</b>	<b>8</b>	<b>321.32</b>

## VII. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

Except as disclosed in the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 213 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since November 30, 2024, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.



## GOVERNMENT AND OTHER 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.*

*The 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 location:

**Registered Office:** 4<sup>th</sup> Floor Office No A-431 Balaji Bhavan, Plot No 42A, Sector-11 CBD Belapur, Navi Mumbai, Thane, Maharashtra, India, 400614

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
<b>A. Corporate Approvals</b>					
1	Certificate of Incorporation in name of “Asston Pharmaceuticals Limited”	Office of the Registrar of Companies, Mumbai, Maharashtra, Government of India, Ministry of Corporate Affairs	U24304MH2019PTC324187	16 April 2019	Until cancelled or surrendered
2.	Certification of Incorporation consequent upon Conversion to Public Company.	Office of the Registrar of Companies, Mumbai, Maharashtra, Government of India, Ministry of Corporate Affairs	U24304MH2019PLC324187	29 August, 2024	Until cancelled or surrendered
3.	UDYAM Certificate  (Asston Pharmaceuticals Private Limited)	Ministry of Micro, Small and Medium Enterprises	UDYAM-MH-18-0360100	22 July, 2024	Until cancelled or surrendered
4.	International Securities Identification Number (ISIN)	National Securities Depository Limited	INE0SJX01015	27 December, 2023	Until cancelled or surrendered
<b>B. Tax-Related Approvals</b>					
1	Permanent Account Number (PAN) Asston Pharmaceuticals Limited	Income Tax Department, Government of India	AASCA1841Q	16 April, 2019	Until cancelled or surrendered
2	Tax Deduction Account Number (TAN) for Asston	Income Tax Department, Government of India	MUMA59111D	16 April, 2019	Until cancelled or surrendered

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
	Pharmaceuticals Private Limited.				
3	Goods and Services Tax (GST) for Asston Pharmaceuticals Limited	Central Board of Indirect Taxes and Custom	27AASCA1841Q1Z0	5 August, 2019	NA
4	Professional Tax Enrolment Certificate	The Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	99503344985P	1 April, 2019	Until cancelled or surrendered
5	Professional Tax Registration Certificate No.	Employer registration Certificate under Professional Tax Act	27811745357P	01 September, 2019	Until cancelled or surrendered
<b>C. Business Related Approvals</b>					
1	Importer-Exporter Code	Directorate General of Foreign Trade, Ministry of Commerce and Industry	AASCA1841Q	10 August, 2019	Until cancelled or surrendered
2	FSSAI License	Government of India Food Safety and Standards Authority of India License under FSS Act, 2006	10021022000966	11 April, 2021	10 April 2026
3	Approval for factory map	Food & Drug Administration, Maharashtra	6123823	2 December 2024	-
4	Employees' State Insurance registration	Employees' State Insurance Corporation under ESI Act, 1948	3400087160000999	15 January 2025	Until surrendered or cancelled
5	Employees' Provident Fund registration	Employees' Provident Fund Organisation under Employees' Provident Fund and Miscellaneous Provisions Act, 1952	THVSH3472120000	15 January 2025	Until surrendered or cancelled
6	Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale, drugs other than those specified	Food & Drugs Administration, Nashik, Maharashtra	MH-TZ7-333169	25 June, 2024	24 June 2029

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
7	Licence to sell, stock or exhibit (or offer) for sale or distribute by wholesale drugs specified in Schedules C and C(1) [excluding those specified in Sch. X]	Food & Drugs Administration, Nashik, Maharashtra	MH-TZ7-333170	25 June, 2024	24 June 2029
8	Additional Product Permission for Amodiaquine Suspension 50 mg / 5 ml	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January, 2022	24 January 2027
9	Additional Product Permission for Artemether 20 mg & Lumefantrine 120 mg Dry Syrup	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January, 2022	24 January 2027
10	Additional Product Permission for Artemether 80 mg & Lumefantrine 480 mg Tablets	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
11	Additional Product Permission for Co-trimoxazole Tablets BP 480 mg	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
12	Additional Product Permission for Dextromethorphan Hydrobromide & Chlorphenamine Maleate	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
13	Additional Product Permission for Paracetamol & Chlorphenamine Maleate Syrup	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
14	Additional Product Permission for Co-trimoxazole Oral Suspension BP	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
15	Additional Product Permission for Diclofenac	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
	Potassium Tablets USP 100 mg				
16	Additional Product Permission for Ibuprofen, Paracetamol & Caffeine Tablets	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
17	Additional Product Permission for Metronidazole Oral Suspension BP 125 mg	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
18	Additional Product Permission for Paracetamol Oral Suspension BP 125 mg	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
19	Additional Product Permission for Paracetamol Tablets BP 500 mg	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
20	Loan licence to manufacture for sale or for distribution of drugs other than those specified in Schedules, C, C(1) and X (Third-party manufacturing license)	Food & Drugs Administration, Nashik, Maharashtra	MH/104371A	25 January 2022	24 January 2027
21	Loan Licence to manufacture for sale {or for distribution of} drugs specified in Schedules C and C(1) {excluding those Specified in Sch. X} (Third-party manufacturing license)	Food & Drugs Administration, Nashik, Maharashtra	MH/104372A	25 January 2022	24 January 2027
22	Good Manufacturing Practices – Quality Management System certification	Food & Drugs Administration (Maharashtra State)	6122912	11 October 2024	10 October 2025

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
<b>D. Environment-Related Approvals</b>					
1	Consent to Operate	Maharashtra Pollution Control Board	240500607	8 May 2024	31 January 2027
2	Fire NOC	Maharashtra Industrial Development Coporation	MFS-LA/RF-0075	7 November 2024	6 November 2025
<b>E. Trademarks</b>					
1	EATE FIN	Trade Mark Registry, Mumbai	4929483	1 April, 2021	NA
2	VASACAM	Trade Mark Registry, Mumbai	6066220	14 August, 2023	NA
3	DICLOFA	Trade Mark Registry, Mumbai	6426244	10 May, 2024	NA
4	ROUTINE SET	Trade Mark Registry, Mumbai	6426245	10 May, 2024	NA
5	DICLORENT	Trade Mark Registry, Mumbai	6426246	10 May, 2024	NA
<b>F. Domain</b>					
1	<a href="http://www.asstonpharmaceuticals.com">www.asstonpharmaceuticals.com</a>	<a href="https://godaddy.com.llc/">https://godaddy.com.llc/</a>	D58C34263655F415AAF 5C010A62CBF3CB-IN	6 June 2022	6 June 2025

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have *vide* resolution dated December 10, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on January 06, 2025 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### IN-PRINCIPLE APPROVAL

The Company has obtained approval from BSE *vide* letter dated [●] to use the name of BSE in this Issue Document for listing of equity shares on the SME Platform of BSE Limited. BSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoter, 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, Promoter, 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 Promoter, 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 Promoter or Director.
- Neither our Promoter, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### PROHIBITION BY RBI

Neither our Company, nor Promoter, 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 223 of this Draft Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoter and Promoter Group, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft 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 paid up capital shall not be more than ₹25.00 Crores 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 “SME Platform of BSE Limited”].

Our Company was originally incorporated as “Asston Pharmaceuticals Private Limited”, a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated April 16, 2019 issued by Registrar of Companies, Mumbai, Maharashtra. Thereafter, our Company was converted into a public limited company and the name of our Company was changed from “Asston Pharmaceuticals Private Limited” to “Asston Pharmaceuticals Limited” vide fresh certificate of incorporation dated August 29, 2024 issued by the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U24304MH2019PLC324187.

**We confirm that:**

In accordance with Regulation 246 the SEBI ICDR Regulations, the book running Book Running Lead Manager shall ensure that the Issue or shall file copy of the Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Red Herring Prospectus to SEBI.

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 71 of this Draft 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 SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “*General Information*” beginning on page 71 and details of the Market Making Arrangements for this please refer to chapter titled “*The Issue*” beginning on page 62 of this Draft 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.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited 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 April 16, 2019 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra.
2. As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹627.13 Lakhs comprising 62,71,360 Equity Shares of ₹10/- each and the Post Issue paid-up Capital (face value) will be ₹851.29 Lakhs comprising 85,12,960 Equity Shares which shall be below ₹2,500.00 Lakhs.
3. Our Company confirms that it has track record of more than 3 years as on the date of filing of Draft Red Herring Prospectus.
4. As per the Restated Financial Statements, our company has operating profit (earnings before interest, depreciation and tax excluding other income) in two out of the three proceeding financial year depicted as follows:

**EBITDA as per Restated financial statements:**

(₹ in Lakhs)

Particulars	As on 31.03.2024	As on 31.03.2023	As on 31.03.2022
EBITDA	254.58	151.66	(35.55)

5. As per the Restated Financial Statements disclosed in this Draft Red Herring Prospectus, the Net worth of our company (excluding revaluation reserves) as per Restated Financial Statements is ₹254.58 Lakhs and ₹151.66 as at March 31, 2024 and March 31, 2023 respectively, and hence is positive. The Net worth is based on the Restated Financial Statements was calculated as the sum of share capital and reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account.
6. As per Restated Standalone Financial Statements disclosed in this Draft Red Herring Prospectus, the net tangible assets are ₹639.00 Lakhs as at March 31, 2024, hence more than ₹300.00 Lakhs as on the date of filing of this Draft Red Herring Prospectus. The Net Tangible Assets as at March 31, 2024 based on the Restated Financial Statements was calculated as the net worth minus intangible assets.

7. The Leverage ratio (Total Debts to Equity) of the Company as on November 30, 2024 was 0.71:1 which is less than the limit of 3:1.
8. Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
9. There is no winding up petition against the company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. 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.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. Other Disclosures:
  - a. We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) of our company in the Draft Red Herring Prospectus.
  - b. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/ fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Draft Red Herring Prospectus.
  - c. We have disclosed the details of our company, promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter "*Outstanding Litigations and Material Developments*" beginning on page 223 of this Draft Red Herring Prospectus.
  - d. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter "*Outstanding Litigations and Material Developments*" beginning on page 223 of this Draft Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a. The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME Platform of BSE Limited. BSE is the Designated Stock Exchange.
- b. Our Company has entered into an agreement dated January 24, 2024 with NSDL and agreement dated February 09, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- c. The entire pre- Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d. The entire Equity Shares of the Company in dematerialization form.
- e. The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds.

Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter "*Objects of the Issue*" beginning on page 101 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:



1. Neither our Company nor our Promoters, members of our Promoter group or our directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoters or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO 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 BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. 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 OFFEROR IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE OFFER OR DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING BOOK RUNNING LEAD MANAGER, SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 16, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER 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 BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**Note:** All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 33(1) and 33(2) of the Companies Act.

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.asstonpharmaceuticals.com](http://www.asstonpharmaceuticals.com), or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

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 Underwriter 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.

The Book Running Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Company, 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, Group Company, and our affiliates or associates for which they have received and may in future receive compensation

#### 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 Draft 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 Draft 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 Mumbai, Maharashtra, only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft 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 the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company or that the information contained herein is correct as of any time subsequent to this date. No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.

#### 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 offered or sold within the United States or to, or for the account or benefit of, “**U.S. persons**” (as defined in Regulations 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 offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers 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 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 and legislations in each jurisdiction, including India.

#### DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the SME Platform of BSE Limited. The Disclaimer Clause as intimated by the SME Platform of BSE Limited to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

## **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THE SEBI/ ROC**

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 Red Herring Prospectus/ 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, Mumbai, Maharashtra.

## **LISTING**

The Equity Shares Offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited. Application have been made to the SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Red Herring Prospectus for listing of equity shares on SME Platform of BSE Limited.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Issue Closing Date or such period as may be prescribed by SEBI.

If our Company does not allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period in accordance with applicable law.

## **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 Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Book Running Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank\*, Syndicate Members\*, Underwriter to the Issue\* and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 & 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s. Doshi Doshi & Co., Chartered Accountants, Statutory Auditors of the Company has 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 financial statements as included in this Draft Red Herring Prospectus/ 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 the Red Herring Prospectus/ Prospectus for registration with the RoC.

## EXPERT TO THE ISSUE

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

- Statement of Tax Benefits dated December 27, 2024 issued by our Statutory Auditors M/s. Doshi Doshi & Co., Chartered Accountants
- Report of the Auditor on the Restated Financial Information of the Company, which comprises of the Restated Balance Sheet, the Restated Profit and Loss Information and Restated Cash Flow Information for the period ended on November 30, 2024 and the Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and of our Company dated December 10, 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 101 of this Draft Red Herring Prospectus.

## DETAILS OF FEES PAYABLE

### **Fees Payable to the Book Running 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 Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees, Brokerage and Selling Commission payable.**

The total fees payable to the Book Running Book Running Lead Manager will be as per the (i) Memorandum of Understanding dated January 10, 2025 with the Book Running Book Running Lead Manager, (ii) the Underwriting Agreement dated [●] with the Underwriter and (iii) the Market Making Agreement [●] with the Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

### **Fees Payable to the Registrar to the Issue.**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated March 23, 2024 a copy of which is available for inspection at our Company’s Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

## PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST THREE YEARS

We have not made any rights to the public and public issues in the past, and we are an “*Unlisted Company*” in terms of the SEBI ICDR Regulations and this Issue is an “*Initial Public Offer*” in terms of the SEBI ICDR Regulations.

## COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST THREE YEARS

Since this is an Initial Public Offer of the 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 the Equity Shares since inception of the Company.

## CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANY, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” beginning on page 82 of Draft Red Herring Prospectus, our Company has not made any capital issue during the previous three years.

Except as disclosed in Chapter titled “*Our Group Company*” beginning on page 206 of Draft Red Herring Prospectus, our Company has no other group company.

## PERFORMANCE VIS-A-VIS OBJECTS

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us

## OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## STOCK MARKET DATA OF EQUITY SHARES

This being an Initial Public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than of Anchor Investors 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 full details such as name of the sole or First Bidder, ASBA Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Issue.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Book Running Lead Manager shall be liable to compensate the

investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information – Book Running Book Running Lead Manager*” beginning on page 71 of this Draft Red Herring Prospectus

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Our Company has also appointed V, Company Secretary and Compliance Officer for the Issue. For details, see “*General Information*” beginning on page 71 of this Draft Red Herring Prospectus.

## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on March 19, 2024 has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Sachin Chandrakant Badakh	Non-Executive Director	Chairperson
Ms. Vijaya Eknath Shahapurkar	Non-Executive Independent Director	Member
Mr. Rishabh Kumar Jain	Non-Executive Independent Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

## 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 125 of this Draft Red Herring Prospectus.

## **PURCHASE OF PROPERTY**

Other than as disclosed in Section “*Business Overview*” beginning on page 148 of this Draft 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 Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft 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.

## **CAPITALIZATION OF RESERVES OR PROFITS**

Save and except as stated in “*Capital Structure*” beginning on page 82 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

## **REVALUATION OF ASSETS**

There has not been any revaluation of assets since incorporation of the Company.

## **SERVICING BEHAVIOUR**

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 chapter titled “*Our Management*” beginning on page 185 and chapter “*Restated Financial Statements*” beginning on page 207 of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## **PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by SOBHAGYA CAPITAL OPTIONS PRIVATE LIMITED, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer to Annexure “A” to this Draft Red Herring Prospectus and the website of BRLM at [www.sobhagyacapital.com](http://www.sobhagyacapital.com). Track Record of the public issues managed by the BRLM as specified in Circular reference CIR/MIRSD/1/2012 Dated January 10, 2012 issued by the SEBI; The Lead Merchant Banker has not filed any issues, main board or SME issues, on any of the stock exchanges in the current financial year and two financial years preceding the current financial year other than Safety Controls & Devices Limited in emerge platform of National Stock Exchange of India Limited and Amtech Esters Limited in BSE Limited.

## **TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING BOOK RUNNING LEAD MANAGER**

For details regarding track record of the Book Running Lead Manager to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at [www.sobhagyacapital.com](http://www.sobhagyacapital.com).

## **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.

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

## SECTION IX – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, 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(s), the RBI, RoC 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 the SEBI, the RBI, the Government of India, the Stock Exchange(s), 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 applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 II, 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 ISSUE

The present Public Issue of up to 22,41,600 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on December 10, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on January 06, 2025 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled “Main Provision of the Articles of Association” beginning on page 283 of this Draft Red Herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND



The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and recommended by the Board of Directors and approved by 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, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors. For further details in relation to dividends, please refer to sections titled, “*Dividend Policy*” and “*Main Provision of the Article of Association*”, beginning on page 205 and 283 respectively, of this Draft Red Herring Prospectus.

#### **FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND**

The face value of each Equity Share is ₹10 and the Issue Price is ₹[●] per Equity Share. The Floor Price is ₹[●] per Equity Share and at the Cap Price is ₹[●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹[●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. 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 respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company 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 through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

#### **COMPLIANCE WITH SEBI (ICDR) REGULATIONS**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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 Articles of Association, the Equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- g) Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- h) Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI (LODR) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “*Main Provision of the Articles of Association*” beginning on page 283 of this Draft Red Herring Prospectus.

#### **ALLOTMENT ONLY IN DEMATERIALISED 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. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by SME Platform of BSE Limited (“**BSE Limited**”) from time to time by giving prior notice to investors at large. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Company:

- a) Tripartite Agreement dated January 24, 2024 between NSDL, our Company and Registrar to the Company; and
- b) Tripartite Agreement dated February 09, 2024 between CDSL, our Company and Registrar to the Company;
- c) The ISIN no of the company is INE0SJX01015.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] 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 BSE 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 [●] Equity Share subject to a minimum allotment of [●] 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**

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 all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked within 6 Working days of closure of issue.

#### **JOINT HOLDERS**

Where 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, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 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 titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the 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 ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. 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 day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment the final RoC approval of the Prospectus after it is filed with the RoC. If our Company, in consultation with BRLM, withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus with the Stock Exchange.

## BID/ISSUE PROGRAM

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opening Date	[●] <sup>(1)</sup>
Bid/Issue Closing Date	[●] <sup>(2)(3)</sup>
Finalization of Basis of Allotment with Designated Stock Exchange	On or before [●]
Initiation of refunds /unblocking of funds from ASBA Account*	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on Stock Exchange	On or before [●]

1. *Our Company in consultation with the BRLM, may consider participation by Anchor Investors. 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 BRLM, may consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
3. *UPI mandate end time and date shall be at 5:00 pm IST on Bid/Issue Closing Date, i.e. [●]*

*\*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 LM 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. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

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 Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. 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. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Bids (other than Bids from Anchor Investors)**

Bid Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time(“IST”))
Bid/ Issue Closing Date	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

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

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ 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 Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Offer, 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 Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism. \

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. 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, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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 Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, 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 Bidder, 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 Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data. In case of revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, may 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 Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, 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 Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Issue prior to the Equity Shares offered pursuant to the Offer for Sale.

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. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of Issue.

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 Draft 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 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.

### **NO RESERVATION FOR EIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, 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**

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, FIIs 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.

*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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft 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.*

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

However, 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 SME Platform of BSE Limited.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters’ Contribution in the Issue as detailed in the chapter “Capital Structure” beginning on page 82 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the chapter titled “Main Provision of the Articles of Association” beginning on page 283 of this Draft Red Herring Prospectus.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## **MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the mainboard of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further Issue of capital by way of rights, preferential offer, bonus offer 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), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders 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.

## **MARKET MAKING**

The shares offered though this issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered though this Draft Red Herring Prospectus. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker; please see “*General Information*” beginning on page 71 of this Draft Red Herring Prospectus.

## **NEW FINANCIAL INSTRUMENTS**

The Issuer Company is not issuing any new financial instruments through this Issue.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the 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.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

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 offered 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 offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ₹10 crores and upto ₹25 crores, shall issue shares to the public and propose to list the same on the SME Platform of BSE Limited (“SME Exchange”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” beginning on page 241 and 254 respectively of this Draft Red Herring Prospectus.

### ISSUE STRUCTURE

This Issue comprised of Initial Public Issue of up to 22,41,600 equity shares of face value of ₹10/- each for cash at a price of [●] per equity share including a share premium of ₹[●] per equity share (the “**Issue Price**”) aggregating to ₹[●] Lakh (“**The Issue**”) by our Company. The Issue comprises a reservation of up to 1,12,800 Equity Shares of face value of ₹10.00/- each for cash at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share 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 to Public of up to 21,28,800 Equity Shares of face value of ₹10.00/- each at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] lakhs (“**the Net Issue**”). The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment <sup>(2)</sup></b>	Upto 1,12,800 Equity Shares.	Not more [●] Equity Shares.	Not less than [●] Equity Shares available for allocation	Not less than [●] Equity Shares available for allocation
<b>Percentage of Issue Size available for Allocation or allotment</b>	[●] % of the Issue Size.	Size Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 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 (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of Net Issue.	Not less than 35% of Net Issue.
<b>Basis of Allotment <sup>(3)</sup></b>	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion):	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●]	Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see “ <i>Issue Procedure</i> ”



Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of upto 6,37,200 Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page 254 of this Draft Red Herring Prospectus.	beginning on page 254 of this Draft Red Herring Prospectus.
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only except for Anchor Investors <sup>(4)</sup>	Only through ASBA Process	Through ASBA Process, Through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2.00 Lakhs.	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] 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 [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs.
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Who can apply</b>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, 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 and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹2.00 Lakhs in value.
<b>Terms of Payment</b>	<p><b>In case of all other Bidders:</b> 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 time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. <sup>(5)</sup></p>			
<b>Mode of Bid</b>	Only through the ASBA process.			

- (1) *Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, 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, under subscription, 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) *Anchor Investors are not permitted to use the ASBA process.*
- (5) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such 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. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*
- (6) *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.*
- (7) *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

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 up to 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.

The Bids by FPIs with certain structures as described under “*Issue Procedure*” beginning on page 254 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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, 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 Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws. 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.

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.

**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. 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 public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

**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 the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.**

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## 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 Book Running 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 Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.*

*The SEBI vide 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, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the process and 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 six 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 Draft Red Herring 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 Issue 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.*

### **REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS**

*The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.*

Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date.

The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues. Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:

- On voluntary basis for public issues opening on or after September 1, 2023, and
- Mandatory for public issues opening on or after December 1, 2023.

The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.

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 NSE to act as intermediaries for submitting Application Forms are provided on <https://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please see the above-mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer to the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on <https://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.

## **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 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 BRLM, allocate up to 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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, 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 BRLM, 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 dematerialized segment of the Stock Exchanges.

**Investors 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, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

**Investors must ensure that their PAN is linked with Aadhar 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.**

### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centers, 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 the NSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details or authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- I. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- II. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- III. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. 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 SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White

Category	Colour of Application Form*
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Electronic Bid cum Application Form will also be available for download on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

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”).

S. 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)

Retail 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:

<b>For Applications submitted by Investors to SCSB:</b>	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.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	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.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	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.



Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

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 BRLM, the Designated Intermediaries at Bidding Centers, 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 BSE (www.BSEindia.com) at least one day prior to the Bid/Issue Opening Date.

## WHO CAN APPLY?

As per the existing RBI 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 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 to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, 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. Applicants are requested to refer to the Red Herring Prospectus for more details.

### **Subject to the above, an illustrative list of Applicants is as follows:**

- a) 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);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the 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". Applications by HUFs would be considered at par with those from individuals;
- c) 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;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) 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;
- g) 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);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) 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;

- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) 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;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Applications not to be made by:**

1. Minors (except under guardianship).
2. Partnership firms or their nominees.
3. Foreign Nationals (except NRIs).
4. Overseas Corporate Bodies.

*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.*

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

#### **1. For Retail Individual Bidders:**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000/-.

#### **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/- and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issuer 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/- 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 Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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 BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the Financial Express English national newspaper, all editions of Hindi national newspaper [●] and Lucknow Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM 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 [●] and Lucknow Edition of Regional newspaper [●] 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 Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM 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 BRLM (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 BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM 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 “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/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 BRLM 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 254 of this Draft 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 finalization 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 BRLM, 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 BRLM, 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 BRLM AND THE SYNDICATE MEMBERS**

The BRLM 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 BRLM 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 BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), 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 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 Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running 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 BRLM, may consider participation by Anchor Investors in the Issue for up to 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 under-subscription 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 BRLM.
- 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 BRLM, 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 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 BRLM 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) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
  - 11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  - 12) 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 BRLM 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 BRLM 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 HUF'S**

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 net worth 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.

## **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

## **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any 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.



The Applications 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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate 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 Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The “IRDA Investment Regulations”), are broadly set forth below:

- a. 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;
- b. 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
- c. 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 (a), (b) and (c) 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.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a. With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b. With respect to applications 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c. With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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 Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d. With respect to Applications 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 Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the Book Running Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the RedHerring 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.*

*The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.*

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 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 BRLM 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 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 Draft 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 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: "Peshwa Wheat Limited" IPO - Anchor Account - R".
- b. 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 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 be 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 Book Running 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:

S. 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 Promoter, 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 Draft 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 BRLM 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 centers 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 BRLM, shall finalize 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 RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- 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 BRLM 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 under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- 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 BRLM, 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 BRLM, 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 Filing of Red Herring Prospectus/ Prospectus with RoC**

- a. Our company has entered into an Underwriting Agreement dated [●].
- 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 32 of Companies Act, 2013 and Section 26 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 i.e. [●]; (ii) Hindi National Newspaper i.e. [●] and (iii) Regional Newspaper i.e. [●] 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 ICRD 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, cheque 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 Rs. 2,00,000/- (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**

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 DRHP.

## **GROUPS 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 firmas 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 DRHP;
- 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 DRHP;
- 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 DRHP and as per the instructions in the DRHP 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 number;
- 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 BID.

**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**

- a) 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 DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) 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 BRLM 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.
- c) 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 RHP.

#### **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 DRHP. 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.

## **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 [●] 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 [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] 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 [●] 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 [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] 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 RHP / 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 [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% 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 [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% 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 [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.

- Under-subscription below [●]% 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 [●] 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 BRLM, 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 BRLM, 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 BSE (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 [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] 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 [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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 [●] 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 DRHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running 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 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](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://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 from January 01,

2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://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 from 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 BSE 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 BRLM 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 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;
- 4) 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;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) 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, under-subscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue 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;
- 9) 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;
- 10) 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 January 24, 2024 between NSDL, the Company and the Registrar to the Issue;
- b. Tripartite Agreement dated February 09, 2024 between CDSL, the Company and the Registrar to the Issue;
- c. The Company's equity shares bear an ISIN No. INE0SJX01015.



## 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 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. Foreign investment is allowed up to 100% under automatic route in our Company.

The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “*Issue Procedure*” beginning on page 254 of this Draft Red Herring Prospectus.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to 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 Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “*Issue Procedure*” beginning on page 254 of this Draft Red Herring Prospectus.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, 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 FDI Policy and the FEMA Non-debt 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 Non-Debt Rules. 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 in writing about such approval along with a copy thereof within the Bid/Issue Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids 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 BRLM 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.

## **SECTION X: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013 (Incorporated under the Companies Act, 2013)**

#### **Table – A**

#### **COMPANY LIMITED BY SHARES**

#### **MEMORANDUM OF ASSOCIATION OF ASSTON PHARMACEUTICALS LIMITED**

The Name of the Company is “**ASSTON PHARMACEUTICALS LIMITED**”.

The Registered Office of the Company will be situated in the State of Maharashtra-MH

<b>I.</b>	<b>The Objects to be pursued by the Company on its incorporation are:</b>
1.	To carry on in India or elsewhere the business to manufacture, process, prepare, treat, disinfect, compound, formulate, mix, concentrate, pack, repack, refine, add, remove, pure, preserve, grade, freeze, distillate, boil sterilize, improve, extract, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, market, supply of blister pack or bubble pack or sachets for placing capsules, tablets, powders; tubes for ointments, bottles for dry syrups, oral liquids, ingestible, pills, fluids, granules, sprayers, inhalers, mineral waters; droppers, removers, herbal products, their by-products, Intermediates, residues, mixtures and compounds and act as agent, broker, representative, consultant, collaborator, stockiest, liasioner, middlemen, job worker, or otherwise to deal in all types, descriptions, specifications, strengths and applications of pharmaceutical, cosmetics, food products and chemical products of medicaments used for treatment, cure and

		healthcare of human beings and animals including, basic drugs, intermediaries, tonics, antibiotics, enzymes, Steroids, vitamins, hormones, biological and immunological chemicals, contraceptives, yeasts, diagnostic agents, oils and tinctures.
	2.	To carry on in India or elsewhere the business to manufacture, produce, process, prepare, preserve, buy, sell, resale, import, export, store, forward, distribute general finished formulations such as capsules, tablets, powders; syrups, oral liquids, pills, fluids, granules, sprayers, inhalers.
II.		Matters which are necessary for furtherance of the objects specified in Clause 3 (a) are:
	3.	To let on lease or hire, mortgage, pledge, transfer, exchange or otherwise dispose of the whole or any part of the undertaking of the Company or any land, building, business and property rights or assets of any kind, of the Company or any share or interest therein such manner and for such consideration as the Company may think fit, and in particular for share, debentures or securities of any Company having objects similar to those of the Company.
	4.	To purchase, take on lease or in exchange, hire or otherwise acquire and to construct, maintain, manage, develop, alter, improve, transfer or turn to account any movable or immovable property, rights or privileges or interest which the Company may think necessary, convenient or expedient for the purpose of the Company and to assist or to take part in the formation, promotion, management, subsidizing or control of the business operations of any company or undertaking assisting the company in the attainment of its objects.
	5.	To acquire by purchase, lease, concession, grant, license or otherwise such land, building, chemicals, waterworks, plant machinery, stock in trade, stores, rights, privileges, easements and other property as may from time to time be deemed necessary for carrying on the business of the Company and to build or erect upon any land of the Company, howsoever acquired, such factories, workshops, warehouse, offices, residences, and other buildings, machinery and construct such roads, ways, railways or sidings, bridges, reservoirs, water courses, hydraulic works and other works and convenience as may be deemed necessary for the interest of the Company.
	6.	To obtain, purchase or otherwise acquire, own, use, protect, prolong and renew, whether in India or elsewhere, any trade secrets, know how, rights, improvements, processes, formulate, patents, patent rights, invention trademarks, designs license, protections, concessions and the like conferring any exclusive, nonexclusive or limited right to use any secrets or other any information as to any invention or any process of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company, and to use, exercise turn to account the property rights and information so acquired and to carry on any business in any way connected therewith and to pay royalties if and where necessary.
	7.	To take over or otherwise acquire all or any part of any land, business including the goodwill, trademarks, stocks, machinery, plants, and other assets and liabilities of any persons, firm, company or concern carrying on the business which the company is Authorised to Carry on or is possessed of property suitable for the company or that is likely to benefit the Company, directly or indirectly, in the attainment of its objects.
	8.	To acquire, make, build, construct, equip, maintain, improve alter, factories, buildings, roads, and other conveniences which may be necessary or convenient for the purpose of the Company or may seem calculated directly or indirectly to advance the Company's interest and to contribute, subsidies or otherwise assist to take part in the construction, improvement maintenance, working, management, carrying out or control thereof.
	9.	To acquire and hold, issue on commission and otherwise deal in and convert the shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Company having similar objects and constitution or carry on business in India or elsewhere and debentures, debentures-stocks, bonds, obligations and securities issued or guaranteed by the any government, sovereign ruler, commissioner, public body or authority supreme, municipal local, or otherwise whether in India or elsewhere.
	10.	Subject to provisions of the companies act, 2013 to borrow or raise or secure money in such manner as the Company shall think fit and in particular by mortgage, debentures, either at par, premium or discount and either redeemable or irredeemable, secure all upon or any part of the undertaking, rights and properties of the Company, present and future, including its uncalled capital or the called capital of the Company and to purchase, redeem, pay of or satisfy such securities.
	11.	To draw, accept, endorse, discount, execute, and issue or negotiate cheques, bills of exchange, promissory notes, hundies, bills of lading and other negotiable instruments.
	12.	To advance or lend moneys to such person or persons and upon such term as may seem expedient and in particular to customer and/or other persons having dealings with the Company and to guarantee the performance of contracts by members or persons, having dealings with the company, but not to carry on banking business as defined under banking regulation Act, 1949.
	13.	To mortgage and charge the undertaking and all or any of the real and personal property assets, present or future, or the uncalled capital of the Company and to issue at par, premium or discount and for such consideration and with such rights, powers, privileges as may be through fit debentures, mortgage debentures, stock payable to bearer or otherwise and either permanent or redeemable or further to secure any securities of the company by a trust deed or other assurance.
	14.	To make advance to any persons, concern or Company having dealings with the Company with or without security and upon such terms as the Company may approve.

15.	To grant annuities, loans, advances, pensions, allowances, gratuities, bonuses to any employee or ex-employee or the relations, connections or dependents of any such persons and to establish or support associations, institution, clubs, school, funds, funds, schemes, and trusts (religious, scientific, educational, provident and otherwise) which may be considered and or calculated to benefit any such persons or otherwise advance the interest of the campaigner of its members and to establish or contribute to any scheme for the purchase by trustee of shares in the Company to be held for the benefit of the Company's employees and to formulate and carry to into effect any such scheme for sharing the profits of the Company with its employee or any of them and to subscribe or guarantee or guarantee money for charitable or benevolent objects or for any exhibition or useful objects or earmarks a portion of the profits and/or property of the Company or create a fund for any such objects or purpose.
16.	To grant annuities, loans, advances, pensions, allowances, gratuities, bonuses to any employee or ex-employee or the relations, connections or dependents of any such persons and to establish or support associations, institution, clubs, school, funds, funds, schemes, and trusts (religious, scientific, educational, provident and otherwise) which may be considered and or calculated to benefit any such persons or otherwise advance the interest of the campaigner of its members and to establish or contribute to any scheme for the purchase by trustee of shares in the Company to be held for the benefit of the Company's employees and to formulate and carry to into effect any such scheme for sharing the profits of the Company with its employee or any of them and to subscribe or guarantee or guarantee money for charitable or benevolent objects or for any exhibition or useful objects or earmarks a portion of the profits and/or property of the Company or create a fund for any such objects or purpose.
17.	To pay for any property, rights or privileges, acquired by the Company or for the services rendered or to be rendered in connection with the promotion of the business of the Company or for acquisition of any property for the Company or otherwise either wholly or partly in cash or in shares, bonds, debentures or other securities of the Company and to issue any shares either as fully paid up or with such amount credited as paid thereon, as may be agreed. upon and to charge any such bonds, debentures or other securities upon all or any part of the property of the Company. While doing so, the Company shall comply with all the requirements of law, for the time being in force.
18.	To get insured all or any of the properties or obligations of the Company or whatsoever nature against any risk whatsoever.
19.	To create any depreciation fund, reserve fund, insurance fund, sinking fund, or any other special fund, whether for depreciation or repairs, replacement, improvements, extension or maintenance of any of the properties of the Company for redemption of debentures or redeemable preference shares or for any other purpose conducive to the interest of the Company.
20.	To spend money in experimenting, developing, planning and testing and in improving any patents, rights, inventions, discoveries, Processes or information of the Company or which the Company may acquire or purpose to acquire.
21.	To invest and deal with the money of the Company not immediately required in such manner as may from time to time seem expedient and be determined by the Company for pursuing the main objects of the Company.
22.	To advance or lend money to and deposit securities and properties with the government and/or to receive loans may grants or deposits from the government for pursuing the main objects of the Company.
23.	To make any loan and advances to any person, firm or Company on any terms, whatsoever which the Company may approve, provided that the Company shall not carry on the business of banking as defined under the banking regulation act, 1949 and the grant of such loan does not tantamount to carrying on banking business.
24.	To set up joint ventures in anywhere in the world by providing know-how for such products or business, as the cases may be, being manufactured or carried on by the Company and to provide such know-how in consideration of money in lump sum or calculated on the sales or net profits of the joint venture or partly in one mode and partly in another and also to participate in the equity of any such joint ventures.
25.	Subject to the provisions of section 78 of the companies act, 1956, to place to reserve or to distribute as dividend or bonus share among the members or otherwise to apply as the company may time to time think fit any money belonging to the Company including those received by way of premium on shares or debentures issued by the Company at a premium and any moneys received in respect of dividend accrued on forfeited shares and money arising the from the re-issue by the Company of forfeited shares or by appropriation of unclaimed dividends.
26.	To enter any arrangement or agreement with the government or authorities supreme, municipal, local or otherwise that may seem conducive to the objects of the Company or any of them, and to obtain from any such government or authority any rights, concessions and privileges which the Company may think fit and desirable and to Carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
27.	To pay all preliminary expenses of any Company promoted by the Company or any Company in which the Company is or may contemplate being interested, including such preliminary expenses and all or any part of the costs and expenses tom, owners of any business or property acquired by the Company.

28.	To pay for any rights or property acquired by the company and to remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing or securities of the Company, or on about the formation or promotion of the Company or the conduct its business, whether by cash payments or by the allotments of shares, debentures or others securities of the Company, credited as paid up full or in part or otherwise.
29.	To pay out of the Company's funds the expenses incurred in connection with all the matters preliminary and incidental to the formation, promotion and incorporation of the Company and the costs, underwriting expenses, brokerage on issue of shares or debentures, incentives and expenses incurred in connection with all matter preliminary or incidental to the formation and incorporation of any Company which may be promoted by this Company and underwrite the shares or debentures issued by any such Company.
30.	To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experiments, workshops for scientific and technical research and experiments and to undertake and carry on all scientific and technical investigations or inventions by providing subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings, and conferences and by providing for the remuneration of scientific or technical professors or teachers and providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is Authorised to carry on.
31.	To distribute among the members in specie or kind any property of the Company, or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to reduction of capital shall be made, except with the sanction (if any) for the time being required by law and to capitalize its reserves.
32.	To improve, manage, develop, exchange, let on lease, mortgage, dispose off turn to account, grant rights and privileges in respect of or otherwise deal with all or any part of the properties and rights of the Company on such terms as the Company shall determine, and to built on, improve, let on lease, advance money persons, construct buildings thereon or otherwise to develop the same.
33.	To form, incorporate or join in the promotion of any Company or Company or companies whether Indian or foreign having amongst its or their objects the acquisition of all or any of the assets, rights, liabilities, or control, management or development of the Company or any other objects or objects which in the opinion of the company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company incorporation and to remunerate any person or Company in any manner, it shall think fit, for services rendered to be rendered in obtaining subscription for or guaranteeing the subscriptions of or the placing of any bonds, debentures, obligations, or securities of any other Company held or owned by the Company or in which the Company may have the any interest or in or about the formation or the promotion of the Company or the conduct of its business in or about the promotion or formation of any other Company in which the Company have an interest.
34.	To enter partnership or any other individual arrangements for sharing profits, co-operation, joint ventures, reciprocal concession, license or otherwise with any person, firm, association, society or body corporate carrying or engaged in or about to carry or in engage in any business or transaction capable of being conduct so as directly to benefit the Company and to give any special rights nominate one or more person whether they be shareholders or not, to be directors of such Company.
35.	To sublet any concession or license obtained or contracts entered into generally to sell the whole or any part, of the property and business of the Company for cash or shares whether fully paid up or not, debentures, or securities of another Company, or partly in cash or partly in such shares, debentures, or securities as are distributed in specie amongst the members or otherwise.
36.	To contribute to provident fund and any other special or other funds whether directly or in directly relating to the business of the Company or not or for the welfare of its employee, and relatives of such employees.
37.	To assemble, export, import, buy sell, repair, overhaul and deal in plant, machinery and equipment used for manufacturing or processing of any of the goods.
38.	To buy, lease or otherwise acquire or procure technical know-how and to sell, lease or otherwise provide technical know- how to others whether in India or outside in India.
39.	To engage, employ, suspend and dismiss executives, engineers agent managers, superintendents, assistant, clerks, menials, coolies other Servants or Labourers and to remunerate any person at such rate as shall be through fit and grant bonus, compensations, Pensions or gratuity to any such Persons or to their widows or children and generally to provide for the welfare of all employees.
40.	To establish schools or otherwise instruct the people in any of the business which the Company is entitled to deal in.
41.	To undertake or execute any trust which may be of benefit to the business of the Company whether directly or indirectly.
42.	To amalgamate with any other Company having objects altogether or in part similar to those of this Company, subject to provisions of the companies act.

	43.	To lease, let out on hire, mortgage, pledge otherwise dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, in particular for shares, debentures, or securities of any other Company having objects altogether or in part similar to those of this Company.
	44.	Subject to provisions of the companies Act, 2013 to make donation to Such persons or institutions and in such cases and either in cash or in other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public or cultural educational or other institutions or objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establish and support of associations, institution, funds, funds, trust, and conveniences for the benefit of the employees or ex-employees (including directors) of the Company or the dependants, relatives of connections of such persons and in particularly friendly or other benefit societies and to grant pensions, allowances, gratuities and bonus, either by way of annual payments or a lump sum and to make payments towards, insurance and to form and contribute to provident and benefit funds of or for such persons.
	45.	To manage land and building, houses or any other property of the Company and to collect to rent and income and supply to tenants and occupiers all kind of convenience and advantages.
	46.	To aid pecuniary or otherwise any association, body or movement, having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the Promotion of trade or industry in any manner or whatsoever.
	47.	To apply the assets of the Company in any in or towards the establishments, maintenance or extension in any way connected with any particular industry, trade or business or with industry, trade or commerce generally including any association, institution or funds for the protection of the interest or masters, owners employers against losses resulting from the bad debts, strike, fire, accidents or otherwise or for the benefit of any officers, managers, foreman, clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependants and whether in or not in a common with other persons or classes of persons and in particularly or friendly, co-operatives and other societies, and establish, maintain and run reading rooms, libraries, educational and charitable institutions, canteen, dining and recreation rooms, churches, places of worship, schools, dispensaries and hospitals and to grant gratuities, pensions and allowances and to contribute to any national or memorial fund or any other thing funds raised by public or local subscription for any purposes whatsoever.
	48.	To subscribe or contribute to otherwise to assist or money guarantee money for charitable, benevolent, religious, social, scientific, national, public, or any other institutions, objects or for exhibitions and to make authorised donations to such persons and in Such cases as the Company may think conducive to attainment of any of its objects or otherwise as seem expedient.
	49.	To contribute to the funds of an association or to any individual or body or corporate which in the Opinion of the Company is advantageous to the Company.
	50.	To procure the Company to be registered or recognized in any country or place outside in India.
	51.	To enter into any arrangements, to take all necessary or Proper steps with government or with authorities Supreme, national, local, municipal or otherwise of any place in which the Company may have any interest and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or affecting any modification in the constitution of the Company or furthering the interest of the members and to oppose any such steps taken by any Company, firm or person which may be considered likely, promotion, whether directly or indirectly, of any such legislation which may appear to be in the interest of the Company and to make representation against and resist, whether directly or indirectly, any legislation which may seem disadvantages to the Company and to obtain from any such government authority or any Company any charters, contracts, decrees, rights, grants loans, privileges or concession which the company may think fit or desirable to obtain and Carry out, exercise and comply with the same.
	52.	To institute defend any suit, appeal, application for review or revision or any other application of any nature whatsoever, to takeout executions, to enter into agreement or reference to arbitration and to enforce and where need to be contest any award and for all such Purposes, to engage or retain counsels attorneys and agents and when necessary to remove them.
	53.	To set up guest houses, hostels, schools, colleges, hospitals, nursing home, dispensaries, canteens, recreation centers, clubs, for labour and staff of the Company and permit use of the same by others whether connected with the company or not.
	54.	To expand the company's activities by opening branches or by appointing agents in India or elsewhere.
III.		The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the Shares held by them.
IV.		The Authorised share capital of the company is Rs. 1,00,00,000/- (Rupees One Crore Only) divided into 10,00,000 (Ten Lakh) Equity Shares of Rs.10/- (Rupees Ten Only) each.
V.		The Authorised Share Capital is increased to Rs. 1,00,00,000/- vide Resolution passed by the Members of the Company at the Extra Ordinary General Meeting held on 26 <sup>th</sup> March, 2022.

VI.		We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set against our respective names:
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## SECTION XI- 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 Draft 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 Red Herring Prospectus/Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 4<sup>th</sup> Floor, Office No A-431, Balaji Bhavan, Plot No 42A Sector-11 CBD Belapur, Navi Mumbai, Thane - 400 614, Maharashtra, India, from the date of filing the Red Herring Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m. Also, the below-mentioned contracts and also the documents are available for inspection online at website of Company i.e. [www.asstonpharmaceuticals.com](http://www.asstonpharmaceuticals.com)

#### MATERIAL CONTRACT

1. Memorandum of Understanding Agreement dated January 10, 2025 between our company and the Book Running Book Running Lead Manager.
2. Registrar Agreement dated November 29, 2024 between our company and the Registrar to the Issue.
3. Market Making Agreement dated [●] between our company, the Book Running Book Running Lead Manager and the Market Maker.
4. Bankers to the Issue Agreement dated [●] between our Company, the Book Running Book Running Lead Manager, Banker(s) to the Issue and Refund Banker and the Registrar to the Issue.
5. Underwriting Agreement dated [●] between our company and the Underwriters.
6. Tripartite Agreement among NSDL, our company and the registrar to the issue dated January 24, 2024.
7. Tripartite Agreement among CDSL, our company and the registrar to the issue dated February 09, 2024.
8. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Syndicate Member.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certified true copy of Certificate of Incorporation dated April 16, 2019 issued by Registrar of Companies, Mumbai, Maharashtra.
3. Fresh Certificate of Incorporation dated August 29, 2024 issued by the Registrar of Companies, Mumbai, Maharashtra consequent upon Conversion of the Company to Public Company.
4. Resolutions of the Board of Directors dated December 10, 2024 in relation to the Issue and other related matters.
5. Shareholders' resolution dated January 06, 2025 in relation to the Issue and other related matters.
6. Copies of Restated Financial Statements of our Company for the period ended November 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 dated December 10, 2024.
7. Statutory Auditors Report dated December 10, 2024 on the Restated Financial Statements for the period November 30, 2024 and financial years ended March 31 2024, March 31, 2023 and March 31, 2022.
8. Statement of Tax Benefits dated December 27, 2024 issued by our Statutory Auditors M/s. Doshi Doshi & Co., Chartered Accountants.
9. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor/ Peer Review Auditor, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue and Underwriter\* to act in their respective capacities.



*\*The same shall be update before filing of RHP.*

10. Certificate on KPI's issued by our statutory auditors namely M/s. Doshi Doshi Co., Chartered Accountants dated December 27, 2024.
11. Due diligence certificate dated January 16, 2025 from Book Running Book Running Lead Manager to the Issue.
12. Board Resolution dated January 16, 2025 for approval of Draft Red Herring Prospectus, dated [●] for approval of the Red Herring Prospectus and dated [●] for approval of the Prospectus
13. In Approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in this Offer Document for listing of Equity Shares on the SME Platform of BSE Limited.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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## DECLARATION

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

### SIGNED BY THE DIRECTORS OF OUR COMPANY

<i>SD/-</i> Dr. Ashish Narayan Sakalkar Managing Director <b>DIN:</b> 06601011	<i>SD/-</i> <b>Saili Jayaram More</b> Whole-Time Directors and Chief Executive Officer <b>DIN:</b> 02691527
<i>SD/-</i> <b>Sachin Chandrakant Badakh</b> Non-Executive Director <b>DIN:</b> 08685214	<i>SD/-</i> <b>Rishabh Kumar Jain</b> Non-Executive Independent Director <b>DIN:</b> 10611758
<i>SD/-</i> <b>Vijaya Shahpurkar</b> Non-Executive Independent Director <b>DIN:</b> 10767960	

### SIGNED BY THE CFO AND CS OF OUR COMPANY

<i>SD/-</i> <b>Deven Manohar Patil</b> Chief Financial Officer	<i>SD/-</i> <b>Vandana Mishra</b> Company Secretary and Compliance Officer
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**Place:** Navi Mumbai.

**Date:** January 16, 2025.