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# RED HERRING PROSPECTUS

Dated: June 13, 2024

Please read Section 26 and 32 of the Companies Act, 2013  
(This Red Herring Prospectus will be updated upon filing with the RoC)

**100% Book Built Offer**



## MEDICAMEN ORGANICS LIMITED

CIN: U74899DL1995PLC066416

REGISTERED OFFICE		CONTACT PERSON	CONTACT NUMBER AND EMAIL ID:	WEBSITE
10 Community Centre No 2 Ashok Vihar Phase II, New Delhi, Delhi, 110052, India.		Ms. Varsha Bansal, Company Secretary and Compliance Officer	<b>Contact Number:</b> +91-9818222845; <b>E-mail:</b> <a href="mailto:cs@mediorganics.in">cs@mediorganics.in</a>	<a href="http://www.medicamenorganics.com">www.medicamenorganics.com</a>
PROMOTER OF OUR COMPANY: MR. BAL KISHAN GUPTA AND MR. ASHUTOSH GUPTA				
DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 31,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] lakhs	Nil	Up to ₹ [●] lakhs	The Issue is being made pursuant to Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES				
RISK IN RELATION TO THE FIRST ISSUE				
This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as 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 “ <i>Basis for Issue Price</i> ” on page 86 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 Red Herring Prospectus. Specific attention of the investors is invited of the section titled “ <i>Risk Factors</i> ” beginning on Page No. 27 of this Red Herring Prospectus.				
ISSUER’S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.				
LISTING				
The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) 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 June 10, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be NSE.				
BOOK RUNNING LEAD MANAGER				
NAME AND LOGO		CONTACT PERSON	EMAIL & TELEPHONE	
 <b>GYR CAPITAL ADVISORS PRIVATE LIMITED</b>		Mr. Mohit Baid	<b>Email ID:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a> <b>Telephone:</b> +91 +91 877 756 4648	
REGISTRAR TO THE ISSUE				
NAME AND LOGO		CONTACT PERSON	EMAIL & TELEPHONE	
 <b>KFIN TECHNOLOGIES LIMITED</b>		Mr. M Murali Krishna	<b>Email:</b> <a href="mailto:medicamen.ipo@kfintech.com">medicamen.ipo@kfintech.com</a> <b>Tel No.:</b> +91 40 6716 2222	
BID/ ISSUE PERIOD				
ANCHOR INVESTOR BIDDING DATE: 20 <sup>TH</sup> JUNE, 2024*		BID/ISSUE OPENS ON: 21 <sup>ST</sup> JUNE, 2024		BID/ISSUE CLOSES ON: 25 <sup>TH</sup> JUNE, 2024**

\* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date/ Issue period shall be one Working Day prior to the Bid/ Issue Opening Date.

\*\* Our Company in consultation with the 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.

# UPI mandate end time and date shall be at 5:00 p.m on the Bid/ Issue Closing D



## MEDICAMEN ORGANICS LIMITED

Our Company was incorporated on March 15, 1995 as ‘Panchdeep Pharmaceuticals Limited’, a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Subsequently, pursuant to a resolution passed by the Board of Directors in their meeting held on July 31, 1995 and by the Shareholders in their EGM held on October 14, 1995, the name of our Company was changed to ‘Medicamen Organics Limited’ and a fresh certificate of incorporation dated November 14, 1995 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. For details relating to change in the Registered Office of our Company, please refer to “*History and Certain Corporate Matters*” on page 136 of this RHP.

**Registered Office:** 10 Community Centre, No 2 Ashok Vihar, Phase II, New Delhi, Delhi, 110052, India

**Contact Number:** +91-9818222845; **Website:** [www.medicamenorganics.com](http://www.medicamenorganics.com);

**Contact Person:** Ms. Varsha Bansal; **E-mail Id:** [cs@mediorganics.in](mailto:cs@mediorganics.in);

**Corporate Identity Number:** U74899DL1995PLC066416

### PROMOTERS OF OUR COMPANY: MR. BAL KISHAN GUPTA AND MR. ASHUTOSH GUPTA

#### DETAILS OF THE ISSUE

**INITIAL PUBLIC OFFER OF UPTO 31,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF MEDICAMEN ORGANICS LIMITED (THE “COMPANY” OR “MEDICAMEN” OR “ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH 1,72,000 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 UPTO 29,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.49 % AND 25.02 % 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 ENGLISH EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND HINDI EDITION OF JANNSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF NEW DELHI 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 EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (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 may, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank as applicable.

This 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 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “**QIB Portion**”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate 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, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net 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. However, if the aggregate demand from Mutual Funds is less than 5.00% 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 Investors and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“**ASBA**”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“**SCSBs**”) or 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*” on page 217 of this Red Herring Prospectus. A copy of the RHP/Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “*Issue Procedure*” beginning on Page No. 216 of this Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/-. The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer 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 Red Herring Prospectus. Specific attention of the investors is invited of the section titled “*Risk Factors*” beginning on Page No. 27 of this Red Herring Prospectus.

## ISSUER'S ABSOLUTE RESPONSIBILITY

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

## LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE") 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 June 10, 2024 from NSE for using its name in this offer document for listing our shares on NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

### BOOK RUNNING LEAD MANAGER



**GYR Capital Advisors Private Limited**  
(Formerly known as Alpha Numero Services Private Limited)  
428, Gala Empire, Near JB Tower, Drive in Road, Thaltej,  
Ahmedabad-380 054, Gujarat, India.  
**Telephone:** +91 +91 877 756 4648 **Facsimile:** N.A.  
**Email ID:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)  
**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)  
**Investor Grievance ID:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)  
**Contact Person:** Mr. Mohit Baid  
**SEBI Registration Number:** INM000012810

### REGISTRAR TO THE ISSUE



**KFIN TECHNOLOGIES LIMITED**  
Selenium Tower- B, Plot 31-32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India.  
**Tel No.:** +91 40 6716 2222 **Fax:** +91 40 2343 1551  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Email:** [nvl.ipo@kfintech.com](mailto:nvl.ipo@kfintech.com)  
**Investor Grievance Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Contact Person:** Mr. M Murali Krishna  
**SEBI Registration No.:** INR000000221

## ISSUE PROGRAMME

**ANCHOR INVESTOR BIDDING DATE: 20<sup>TH</sup> JUNE, 2024\***

**BID/ISSUE OPENS ON: 21<sup>ST</sup> JUNE, 2024**

**BID/ISSUE CLOSES ON: 25<sup>TH</sup> JUNE, 2024\*\***

\* The company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue opening Date.

\*\* Our Company in consultation with the 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.

# UPI mandate end time and date shall be at 5:00 p.m on the Bid/ Issue Closing Date.

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***PURSUANT TO SCHEDULE VI OF SEBI (ICDR) REGULATIONS, 2018***



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## **SECTION I – GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

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

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

### **GENERAL AND COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, or “Medicamen”	Medicamen Organics Limited, a company incorporated under the Companies Act, 1956, having its registered office at 10 Community Centre No 2 Ashok Vihar Phase II, New Delhi 110052, India.
Our Promoter	Mr. Bal Kishan Gupta and Mr. Ashutosh Gupta
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 “ <b><i>Our Promoter and Promoter’s Group</i></b> ”.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <b><i>Our Management</i></b> ” on page 147 of this Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, <b>N C Raj &amp; Associates, Chartered Accountants (FRN: 002249N)</b>
Bankers to the Company	Axis Bank Limited
Board of Directors / Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U74899DL1995PLC066416
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being <b>Mr. Lalit Gupta</b> .
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being <b>Ms. Varsha Bansal</b> .
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director 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 Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being INE0PE401018
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 “ <b><i>Our Management</i></b> ” on page 150 of this Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on December 26, 2023 in accordance with the requirements of the SEBI ICDR Regulations.
MD	The Managing Director of our Company
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 of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <b><i>Our Management</i></b> ” on page 149 of this 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 Regulations, 2000.
Registered Office	10 Community Centre No 2, Ashok Vihar Phase II, New Delhi, Delhi, India, 110052
Restated Financial Information/ Restated Financial Statements/	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the Financial Years ended on March 31, 2024, 2023, 2022 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 32 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, Delhi & Haryana, having its office at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, Delhi, India.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <b><i>Our Management</i></b> ” on page 149 of this Red Herring Prospectus.
WTD	Whole-Time Director of our company

## **ISSUE RELATED TERMS**

Terms	Description
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
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Allottee (s)	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 has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	Rs. [●]/- per equity share i.e. the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was 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 was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Issue Period	June 20, 2024, being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.

Terms	Description
Anchor Investor Issue Price	Rs. [●]/- per equity share being 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.
Anchor Investor Portion	Up to 60% of the QIB Portion consisting of 8,76,000 Equity Shares which were 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.
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.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
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.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Issue	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being Axis Bank Limited
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <b>Basis of allotment</b> ” under chapter titled “ <b>Issue Procedure</b> ” starting from page no. 237 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA 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 Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of 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 Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Period	<p>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.</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 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>
Bid/Issue Closing Date	<p>Except in relation to Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being June 25, 2024, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), Hindi and editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located).</p> <p>Our Company in consultation with the 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</p>

Terms	Description
	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.
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being June 21, 2024, which shall be published in English editions of Financial Express (a widely circulated English national daily newspaper), Hindi and editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers 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 Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
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.
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 <b>GYR Capital Advisors Private Limited</b> , SEBI Registered Category I Merchant Banker.
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.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
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 bids 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.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
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.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum 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 Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
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 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 Issue.

Terms	Description
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder 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 Stock Exchange	<b>Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)</b>
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated February 21, 2024 filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
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 Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
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 will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue / Issue	The Fresh Issue of Upto 31,00,000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
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
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue Agreement	Agreement dated January 22, 2024 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on June 25, 2024.
Issue document	Includes this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on June 21, 2024.
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 Bidding application.



Terms	Description
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 76 of this Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker	The Market Maker to the Issue, in this case being Giriraj Stock Broking Private Limited.
Market Maker Reservation Portion	The reserved portion of 1,72,000 Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated May 17, 2024 between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 29,28,000 Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue consisting of 4,40,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price or through such other method of allocation as may be introduced under applicable law
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).
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.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in English editions of Financial Express (a widely circulated English national daily newspaper), and Hindi editions of Jansatta (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.

Terms	Description
Public Issue Account Bank	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 14,60,000 Equity Shares which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Red Herring Prospectus / RHP	The Red Herring Prospectus dated June 13, 2024 to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited 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.nseindia.com/">https://www.nseindia.com/</a>
Registrar / Registrar to the Issue/ RTA	Registrar to the Issue being Kfin Technologies Limited.
Registrar Agreement	The registrar agreement dated January 22, 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.
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.
Retail Portions	Portion of the Issue being not less than 35% of the Net Issue consisting of 10,28,000 Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available 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>
SME Platform of NSE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
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.
Sub Syndicate Member	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated May 17, 2024 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1)(hhh) of the SEBI ICDR

Terms	Description
	Regulations, namely GYR Capital Advisors Private Limited.
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 bidders, as proof of registration of the bid.
Underwriter	GYR Capital Advisors Private Limited
Underwriting Agreement	The Agreement dated May 17, 2024 entered into between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
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.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI

#### **CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India

Term	Description
CAGR	Compounded Annual Growth Rate
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code

Term	Description
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
PPIC	Production Planning and Inventory Control
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended



Term	Description
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
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 in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## **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. Revenue from operation means revenue from sale of services.
EBITDA	EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
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. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
Restated profit for the year / period margin	Restated profit for the year / period Margin is the ratio of Restated profit for the year / period to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
Return on Average Equity (“RoAE”)	RoAE is indicative of the profit generation by our Company against the equity contribution. RoAE refers to Restated profit for the year / period divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period.



Return on Capital Employed (“RoCE”)	RoCE is indicative of the profit generation by our Company against the capital employed. RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period.
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## **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AHU	Air Handling Unit
NSAIDS	Non-Steroidal Anti-Inflammatory Drug
WHO	World Health Organisation
FDA	Food and Drug Administration
GMP Good Manufacturing Practice	Good Manufacturing Practice
WHOGMP	World Health Organization Good Manufacturing Practice
OSD Oral Solid Dosage	Oral Solid Dosage
NSAIDs	Non-Steroidal Anti-Inflammatory Drugs
HMG-CoA	Hydroxymethylglutaryl-coenzyme A reductase inhibitor
DMARDs	Disease-Modifying Antirheumatic Drugs
PDE	Phosphodiesterase inhibitors
MG	Milligram
OMS	Opsoclonus-Myoclonus Syndrome
NCT	National Capital Territory
IU	International Unit
DHA	Docosahexaenoic acid
AIIMS	All India Institute of Medical Sciences
API	Active Pharmaceutical Ingredient
CAGR	Compound Annual Growth Rate
DIPP	Department of Industrial Policy and Promotion
DMFs	Drug Master Files
EPCG	Export Promotion Capital Goods
EU	European Union
FCNR	Foreign Currency Non-Resident
GDP	Gross Domestic Product
GST	Goods and Services Tax
IMF	International Monetary Fund
IPA	Indian Pharmaceutical Association
MLHW	Ministry of Labor Health and Welfare

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 24, 94, 95, 124, 160 and 216 respectively of this Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

All references to “India” contained in this Red Herring Prospectus 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 Government of India, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “**Financial Information**” on Page No. 160 of this Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the Financial Years ended on March 31, 2024, 2023, 2022 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 32 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.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on Page Nos. 27, 101 and 165 respectively, of this Red Herring Prospectus, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this 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 in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “**Risk Factors**”, “**Industry Overview**” and “**Our Business**” on Page Nos. 27, 95 and 101 respectively, this Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Red Herring Prospectus in “lakhs” units or in whole numbers where the numbers have been too small to represent in lacs. One lakh represents 1,00,000 and one million represents 10,00,000.

### **Exchange rates**

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

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 (in ₹)		
	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.37	82.22	75.81

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

### **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on Page No. 86 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on Page No. 27 of this Red Herring Prospectus.

## **FORWARD - LOOKING STATEMENTS**

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- As part of our growth strategy, we intend to expand our business operations to geographical areas in which we have limited operation history. We cannot assure you that our expansion plans will be profitable or that such expansion will not adversely affect our business, results of operations and financial condition.
- We cannot assure you that we shall be able to obtain the necessary certifications and clearances as may be required from the relevant local and foreign authorities for our Proposed Products. In the event we are unable to obtain such certifications, our business, results of operations, cash flows and financial condition could be adversely affected.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on Page Nos. 27, 101 and 165, respectively, of this 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.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor 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.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Book Running Lead Manager 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 Issue.

## **SECTION II - ISSUE DOCUMENT SUMMARY**

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoter and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 27, 95, 180, 153, 160, 76, 101, 216 and 245 respectively of this Red Herring Prospectus.

### **1. Summary of Industry in which the Company is operating**

According to a recent EY FICCI report, there has been growing consensus over providing new innovative therapies to patients, Indian pharmaceutical market is estimated to touch US\$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products is estimated to cross over the US\$ 1 trillion mark in 2024.

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 into a thriving industry growing at a CAGR of 9.43% in the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that makeup around 8% of the worldwide API market.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US, and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with the potential to steer 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.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 95 of this Red Herring Prospectus.

### **2. Summary of Business**

We are engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage including generic dosage in form of Tablets, Capsules, Oral Liquids, Ointments, Gel, Syrups, Suspension and Dry powders for government (including both state and central governments) and private institutions as contract manufacturer / third party manufacturer. We market our product to private pharma companies in domestic as well as international markets through third party distributors or on loan license basis. Further, our Company is also strategically focusing on establishing a direct presence in international market for an instance in fiscal 2023, we have directly exported our product in Burundi. We have a track record of operating B2B model which covers contract manufacturing model. Our products are marketed across India as well as African, Commonwealth of Independent States (CIS) region and south East Asian Countries like Congo, Benin, Cameg, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan and Kenya by our third-party distributor.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 101 of this Red Herring Prospectus.

### **3. Promoter**

The Promoters of our Company are **Mr. Bal Kishan Gupta and Mr. Ashutosh Gupta**. For further details, please refer to the chapter titled “*Our Promoter and Promoter Group*” beginning on Page No. 153 of this Red Herring Prospectus.

### **4. Details of the Issue**

Our Company is proposing the public issue of upto 31,00,000 equity shares of face value of ₹ 10/- each of Medicamen Organics Limited (“**Medicamen Organics Limited**” or the “**Company**” or the “**Issuer**”, and such equity shares the “**Equity Share**”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “**Issue Price**”) aggregating up to ₹ [●] lakhs (the “**Issue**”), of which 1,72,000 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 aggregating to ₹ [●] lakhs will be reserved for subscription by market maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of 29,28,000 Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is

herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute 26.49 % and 25.02 %, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“BRLM”) and will be advertised in English edition of Financial Express (a widely circulated English national daily newspaper), Hindi edition of Jansatta (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“NSE Emerge”, referred to as the “Stock Exchange”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 205 of this Red Herring Prospectus.

## 5. Objects of the Issue

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

## 6. Utilization of Net Issue Proceeds

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Product registration in the international markets	Up to 300
2.	Plant updatation and increase in production capacity	Up to 225
3.	To meet Working Capital requirements	Up to 400
4.	General corporate purposes <sup>(1)(2)</sup>	Up to [●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “*Objects of the Issue*” beginning on Page No. 76 of this Red Herring Prospectus.

## 7. Aggregate Pre Issue Shareholding of Promoters, Promoter Group and Public

Following are the details of the pre-Issue shareholding of Promoters and members of Promoter Group:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoter</b>					
1.	Mr. Bal Kishan Gupta	61,02,650	70.96	61,02,650	[●]
2.	Mr. Ashutosh Gupta	5,87,400	6.83	5,87,400	[●]
	<b>Total (A)</b>	<b>66,90,050</b>	<b>77.79</b>	<b>66,90,050</b>	<b>[●]</b>
<b>Promoter Group</b>					
3.	M/s B. K. Gupta & Sons	300	0.03	300	[●]
4.	Ms. Ritu Gupta	2,86,500	3.33	2,86,500	[●]
5.	Mr. Ishaan Gupta	7,050	0.08	7,050	[●]
	<b>Total (B)</b>	<b>2,93,850</b>	<b>3.44</b>	<b>2,93,850</b>	<b>[●]</b>
<b>Public</b>					
6.	Mr. Gaurav Kumar	100	0.00	100	[●]
7.	Ms. Shivani Chopra	600,000	6.98	600,000	[●]
8.	Mr. Nitin Karra	16,000	0.19	16,000	[●]
9.	Mr. Sachin Mehra	4,000	0.05	4,000	[●]
10.	Ms. Kalyani Sarkar	4,000	0.05	4,000	[●]
11.	Mr. Deepak Gupta	4,000	0.05	4,000	[●]
12.	Ms. Tanishka Goel	4,000	0.05	4,000	[●]
13.	Mr. Navmeet Luthra	20,000	0.23	20,000	[●]
14.	M/s Livealth Biopharma Private Limited	100,000	1.16	100,000	[●]
15.	Mr. Ashish Mehra	56,000	0.65	56,000	[●]



16.	Mr. Surinder Kumar Goel	100,000	1.16	100,000	[●]
17.	Mr. Apoorv Yadav	4,000	0.05	4,000	[●]
18.	Ms. Suman Yadav	4,000	0.05	4,000	[●]
19.	Aekansh Yadav	4,000	0.05	4,000	[●]
20.	Mr. Anil Kumar Yadav	8,000	0.09	8,000	[●]
21.	Chhavi Gupta	16,000	0.19	16,000	[●]
22.	Ms. Shruti Goel	12,000	0.14	12,000	[●]
23.	Megha Gupta	16,000	0.19	16,000	[●]
24.	Jaswant Kumar Gupta	28,000	0.33	28,000	[●]
25.	Rita Ahuja	16,000	0.19	16,000	[●]
26.	Mr. Sanjay Kumar Singhal	70,000	0.81	70,000	[●]
27.	Mr. Pawan Kumar Gupta	1,60,000	1.86	1,60,000	[●]
28.	Mr. Jinendra Kumar Jain	100,000	1.16	100,000	[●]
29.	Mr. Anil Kumar Gadodia	10,000	0.11	10,000	[●]
30.	M/s Izuz Consultancy Private Limited	15,000	0.17	15,000	[●]
31.	Mr. Saurabh Gupta	40,000	0.46	40,000	[●]
32.	M/s Pawan Kumar Garg HUF	1,10,000	1.28	1,10,000	[●]
33.	Ms. Shitu Gupta	15,000	0.17	15,000	[●]
34.	Mr. Prabodh Gupta HUF	60,000	0.70	60,000	[●]
35.	Indu Bansal	20,000	0.23	20,000	
<b>Total (C)</b>		<b>16,16,100</b>	<b>18.79</b>	<b>16,16,100</b>	[●]
<b>Total (A+B+C)</b>		<b>86,00,000</b>	<b>100.00</b>	<b>86,00,000</b>	[●]

For further details, please refer to the chapter titled “*Capital Structure*” beginning on Page No. 62 of this Red Herring Prospectus

## 8. Summary of Financial Information

Following are the details as per the Restated Financial Information as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in lakhs)

S. No.	Particulars	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	860.00	600.00	600.00
2.	Net Worth	1518.40	897.99	801.06
3.	Revenue from operations	2527.17	2,214.71	2,097.52
4.	Profit after Tax	240.41	96.93	10.14
5.	Earnings per Share	3.18	1.62	0.17
6.	Net Asset Value per equity share	17.66	14.97	13.35
7.	Total borrowings	1265.65	1179.50	1024.57

\* Adjusted for Bonus Shares

For further details, please refer to the section titled “*Financial Information*” beginning on Page No. 160 of this Red Herring Prospectus.

## 9. Auditor qualifications which have not been given effect to in the Restated Financial Information

Our Peer Reviewed Auditors have included a matter of emphasis in their Examination Report on our Restated Financial Statements for Fiscals 2024, 2023 and 2022. For further details, refer section titled “*Restated Financial Statements*” on page 160 of this RHP.

## 10. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company and our Promoter is provided below:

(Rs in Lakhs)		
Nature of Cases	Number of Cases	Total Amount Involved (in Rs. Lakhs)
<b>Proceedings against our Company</b>		
Criminal	8	15.58
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	15	197.19
<b>Proceedings by our Company</b>		
Criminal	1	5.70
Civil	Nil	Nil
<b>Proceedings against our Director</b>		
Criminal	Nil	Nil
Civil	1	Not ascertainable
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	1	Not ascertainable
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	2	Not ascertainable
<b>Proceedings against our Group Companies</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	11	32.38
<b>Proceedings by our Group Companies</b>		
Criminal	Nil	Nil
Civil	Nil	Nil

## 11. Risk Factors

Please refer to the section titled “*Risk Factors*” beginning on Page No. 27 of this Red Herring Prospectus.

## 12. Summary of Contingent Liabilities

As per the Restated Financial Information as at and for the Financial Years ended on March 31, 2024, March 31, 2023 and March 31, 2022, no contingent liabilities of our Company have been recognized and reported.

For further details, please refer to the chapter titled “*Restated Financial Statements*” beginning on Page No. 160 of this Red Herring Prospectus.

### 13. Summary of Related Party Transactions

As per the Restated Financial Information as at and for the Financial Years ended on March 31, 2024, 2023 and 2022, following are the details of the related party transactions of our Company:

(₹ In Lakhs)

Name of Related Party	Nature of Transaction	Amount outstanding as on March 31, 2024	Amount outstanding as on March 31, 2023	Amount outstanding as on March 31, 2022
Mr. Bal Kishan Gupta	Remuneration		-	-
	Reimbursement of Expenses Paid*	-	-	-
	Loan Taken	(657.60)	-	-
	Loan Repaid		(576.78)	(466.01)
Mr. Ashutosh Gupta	Remuneration		-	-
	Loan Taken	(5.25)		
	Loan repaid		-	(0.06)
Mr. Shailesh Harimohan Gaur	Remuneration	-	-	-
	Reimbursement of Expenses*	-	-	-
	Reimbursement of Expenses Paid*			
	Advance given	-	-	-
	Advance Repaid			
Ritu Gupta	Salaried	6.00	4.82	4.82
	Reimbursement of Expenses*	-	-	-
	Reimbursement of Expenses Paid*			
	Loan repaid	(2.30)	(2.30)	-
	Loan taken			
Redline Healthcare Partnership firm	Sales of services	25.91	26.91	-
	Purchase of services	-	(134.92)	(68.16)
Redline Healthcare Pvt Ltd (unit A)	Loan repaid	(14.95)	(13.83)	(9.00)
	Loan taken			
	Interest Paid to party (cummlate under loan)			
Jasbal pharma LLP (Unit II)	Sales of Services	1.40	3.38	4.43

For further details, kindly refer “**Restated Financial Information – Annexure XXXIII – Related Party Transactions**” on Page No. F 36 from the chapter titled “**Restated Financial Information**” beginning on page 160 of this Red Herring Prospectus.

### 14. Financials Arrangements

There are no financing arrangements whereby the Promoter, members of the Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in

the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

**15. Weighted Average Price of the Equity Shares acquired by our Promoter in the last one year preceding the date of this Red Herring Prospectus**

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

Name of Promoter	No. of shares acquired in last one year from the date of this Red Herring Prospectus	Weighted Average Price (in ₹)
Bal Kishan Gupta	20,00,000	10
Ashutosh Gupta	NIL	NIL

**16. Average Cost of Acquisition of Equity Shares for Promoters**

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Bal Kishan Gupta	61,02,650	8.75
Ashutosh Gupta	5,87,400	3.53

**17. Pre-IPO Placement**

Our Company has not undertaken a pre-IPO placement.

**18. Issue of equity shares made in last one year for consideration other than cash**

Except as stated below, our Company has not issued shares for consideration other than cash during last one year:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
Not applicable						

**19. Split or consolidation of Equity Shares in the last one year**

There has been no Split or Consolidation of Equity Shares in the last one year.

**20. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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### **SECTION III – RISK FACTORS**

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “**Industry Overview**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” on pages 95, 101 and 165 of this Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates 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, in the section titled “**Forward-Looking Statements**” on page 20 of this Red Herring Prospectus.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.*

#### **Materiality:**

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

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

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Medicamen Organics Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

- Our Company, its Directors and its Promoters are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various forums and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.*

Our Company, its Directors and its Promoters are currently involved in legal proceedings in India which are pending at different levels of adjudication before the concerned authority. We cannot assure you that these proceedings will be decided in favour of our Company, its Directors and its Promoters, as the case may be. Any adverse decision in such proceedings may render us liable to penalties and may have a material adverse effect on the financials and reputation of our Company, its directors or its Promoters which may in turn have an adverse effect on our business. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour law related, personal injury, damage to property, etc.

A classification of these outstanding proceedings is given in the following table:

(Rs in Lakhs)		
Nature of Cases	Number of Cases	Total Amount Involved (in Rs. Lakhs)
<b>Proceedings against our Company</b>		
Criminal	8	15.58
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	15	197.19
<b>Proceedings by our Company</b>		
Criminal	1	5.70
Civil	Nil	Nil
<b>Proceedings against our Director</b>		
Criminal	Nil	Nil
Civil	1	Not ascertainable
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	1	Not ascertainable
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	2	Not ascertainable
<b>Proceedings against our Group Companies</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	11	32.38
<b>Proceedings by our Group Companies</b>		
Criminal	Nil	Nil
Civil	Nil	Nil

The State of Andhra Pradesh ("Complainant") filed a complaint bearing no. SC.MU/221/2023 ("Complaint") against Medicamen Organics Limited ("MOL") and Hukum Chand Sharma ("Accused No. 2") (Mol and Accused No. 2 collectively referred to as the "Accused") before the Honorable Court of First Additional Chief Metropolitan



Magistrate Court, Vishakhapatnam (the "Court"). R. Lalita ("Drugs Inspector") inspected Sri Jeevan Sanjeevini Pharmacy and took sample Clopinol-AT ("Sample Drug"), which was manufactured by MOL and sent it to the Government Analyst for analysis. The Complaint was filed against the Accused because the Complainant claims that the Accused have contravened Section 18(a)(i) read with Section 17-B and Section 18(a)(i) r/w Section 16(1)(a) of the Act. As per section 27 of the Drugs and Cosmetics Act, (b) any drug— (i) deemed to be adulterated under section 17A but not being a drug referred to in clause (a), or (ii) without a valid licence as required under clause (c) of section 18, shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to five years and with fine which shall not be less than one lakh rupees or three times the value of the drugs confiscated, whichever is more: Provided that the Court may, for any adequate and special reasons to be recorded in the judgment, impose a sentence of imprisonment for a term of less than three years and of fine of less than one lakh rupees.

The Company is unable to ascertain the amount involved at this juncture as amount of compensation and/or fine including any imprisonment, which may be adjudged upon the conclusion of the litigation and once the order is passed. However, in the event an adverse order is passed against our Company, it may have a material and/or financial impact on the business of the Company.

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to "**Outstanding Litigation and Material Developments**" on page 180 of this RHP.

**2. *We require a number of approvals, licenses, registrations and permits in the ordinary course of our business and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous.

Additionally, some of our approvals, licenses, registrations and permits, which are necessary for us to operate our business have expired and we have made necessary applications for renewal of the same. For instance, our Company has applied for application for renewal of Consent to Operate for our Company's Unit – I and Unit – II; and registration cum membership certificate for manufacturer exporter for our Pharmexcil registration along with various application for the name change in our approvals, licenses, registrations and permits subsequent to the change in name of our Company post conversion which are currently pending before the relevant authorities. Further, our Company is unable to trace original copies of its TAN certificate and ESIC – Delhi registration certificate. Although, as on date our registrations are valid as evidenced from the online portals of the Income Tax department and the ESIC. Furthermore, our Company has registered under the Delhi Shops and Establishment Act, 1954, however, it is yet to receive the certificate of establishment in name of the Company as upon registration, our Company was provided with the wrong certificate of establishment from the Department of Labour, Government of NCT Delhi. Our Company is in the process of applying for and obtaining a copy of the certificate of establishment from the Department of Labour, Government of NCT Delhi.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which are, pending receipt or renewal, see "**Government and Other Statutory Approvals**" on page 187 of this RHP.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

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

We depend on third party suppliers for procuring the raw materials required for manufacturing of our products. The key raw materials that we use for our manufacturing operations are Dried Ferrous Sulphate, Folic Acid, etc. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with our suppliers for raw materials. Our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the raw materials for manufacturing our products. The raw material consumed in fiscals 2024, 2023, 2022 were 1439.94 Lakhs, 1398.16 Lakhs, 1411.92 Lakhs respectively. 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. In the past three Financial Years, we have not experienced any significant disruptions in the supply of the raw materials. 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.

**4. *The Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.***

Our top ten customers contribute 78.76%, 62.00% and 66.45% of our total sales for financial year ended on March 31, 2024, 2023 and 2022, respectively. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

**5. *The Company is dependent on few suppliers for purchase of product. Loss of any of these large suppliers may affect our business operations.***

Our top ten suppliers contribute 65.20%, 47.48%, 61.25% and 38.71% of our total purchase for the financial year ended on March 31, 2024, 2023 and 2022, respectively. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

**6. *The restated examination report by our peer review auditor on Restated Financial Statements has provided a matter of emphasis paragraph for the company has not accounted for interest provisions as per MSMED Act, 2006.***

The restated examination report by our peer review auditor on Special Purpose Financial Statements has provided a matter of emphasis paragraph for the company has not accounted for interest provisions as per MSMED Act, 2006. The company has not accounted for interest provisions as per MSMED Act, 2006. The company has made payments to MSME vendors within contractual period mutually agreed between the parties which is exceeding the contractual time limit as per MSMED Act, 2006 and the amount payable to them are agreed between the company and the vendors considering the mutual contractual credit period, hence no interest is payable according to the company. Hence, the company has not accounted for interest provisions as per MSMED Act, 2006 as they had contractual credit period of more than stipulated period of MSMED Act, 2006. However, the company should have accounted for interest as per

provisions of MSMED Act, 2006 and as a result of which the profit would have been lower by the interest amount as payable as per the provisions of MSMED Act, 2006. The interest for the financial year 2022-2023 along with stub period September 30, 2023 as per MSMED Act, 2006 is Rs 10,52,777.87. The Statutory Auditors of the company have included a matter of emphasis in their Audit Report on our financial statements as at and for Fiscal 2023 and in the Restated Financial Statements as at and for Fiscal 2023, 2022 and 2021. While the company has made payments to MSME vendors within contractual period mutually agreed and not accounted for interest provisions as per MSMED Act, mutually agreed, we cannot assure that our business, financial condition and results of operations will not be materially and adversely affected. The company confirms that for future transactions, the company will adhere to the rules and regulations mentioned for the contractual time limit as per MSMED Act, 2006.

No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future, or our Company will not commit any further delays or defaults in relation to payments to be made to MSME vendors, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**7. *Our Registered Office and our factories are located on premises which are not owned by us and has been obtained on lease basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our operations and, consequently, our business, financial condition and results of operations.***


As on the date of this Red Herring Prospectus, our Registered Office and our factories are located on properties taken on lease basis from related parties and third parties. There can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely affect our business, financial conditions and results of operations. For further details, see “***Our Business – Properties***” on page 123 of this RHP.

**8. *Our Company has entered into certain related party transactions and may continue to do so in the future.***

Our Company has entered into few related party transactions with our Promoters, Directors, Promoter Group, Group companies/entities during the last three Financial Years. While our Company believes that all such transactions have been conducted on the arm’s length basis, and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws further there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. “Annexure –XXXIII – Details of Related Party Transactions as Restated” under the chapter titled “***Restated Financial Information***” beginning from page no. 160 of this Red Herring Prospectus.

**9. *We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.***

Our Company has registered various trademarks for the names of our products. However, neither our trade name, i.e.

‘Medicamen Organics’ nor our logo  is registered or owned by our Company. Although, our Company has the right to use the term “Medicamen” which was accorded to our Company vide a share purchase agreement dated September 16, 2015 (“SPA”) between ‘Shivalik Rasayan Limited’ (“SRL”) and our Promoter Bal Krishan Gupta, our Director, Ashutosh Gupta and Ritu Gupta (“Sellers”) whereby the Sellers sold their shareholding in ‘Medicamen Biotech Limited’ (“MBL”), a public limited Company to SRL, along with the control over the affairs of the Company. MBL owns the trademark ‘Medicamen Biotech Limited’ and through the SPA, SRL allowed our Company to continue to use the term “Medicamen” for a normal consideration of ₹5,000 per annum. If we are unable to register or renew our trademark for various reasons including our inability to remove objections to any trademark application, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to

protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

For further details please see "**Government and Other Statutory Approvals**" beginning on page 187 of this RHP.

**10. *Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable. There have been instances of non-filing of certain ROC forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC***

In the past, there have been certain instance of non-filing in filing statutory forms such as MSME forms and Charge related forms. As on date which are filed along with the requisite fees. We could also not verify return of allotment filed by the Company for allotment of 11,350 Equity shares made by the Company on 31/03/1999. For verifying the same physical inspection of ROC documents was also carried after during we could not trace the return of allotment. No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**11. *Any non-compliance or delays in GST Return Filings may expose us to penalties from the regulators.***

As a Company, we are required to file GST returns with the respective authorities. However, there are certain inadvertent delays in filling of GST returns in the past for which the Company have paid the penalties amounting to Rs. 630, Rs. 8020, Rs. 12,860, Rs. 12340, 10,030 and 7,420 for the FY 2023, 2022, 2021, 2020, 2019 and 2018 respectively and taken the steps to improve the internal system for payment of GST to mitigate the technical difficulties. However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our GST filling in future, which may adversely affect our reputation and goodwill of the company.

**12. *Any non-compliance or delays in EPF Return Filings may expose us to penalties from the regulators.***

As a Company, we are required to file EPF returns with the respective authorities. However, there are certain inadvertent delays in filling of EPF returns in the past for which the Company has received penalties amounting to Rs. 2,97,856, Rs. 2,22,282, Rs. 72,028, Rs. 12,672 and Rs. 273 for the FY 2024, 2023, 2022, 2021 and 2020 respectively and taken the steps to improve the internal system for payment of EPF to mitigate the technical difficulties. However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our EPF filling in future, which may adversely affect our reputation and goodwill of the company.

**13. *We are dependent on third parties for the distribution and marketing of our products. If we do not maintain and increase the number of our arrangements for the marketing and distribution of our products, our business, financial condition and results of operations could be adversely affected.***

We enter into arrangements with other pharmaceutical companies to market, sell and distribute our products in international markets on our behalf. As on March 31, 2024 our marketing and distribution network was supported by a field force of over 08 personnel. We have limited control over the operations and businesses of such third-party entities.

As such, our dependence on such parties subjects us to a number of other risks, including (i) not being able to control the amount and timing of resources that our partners may devote to the marketing, selling and distribution of our products, (ii) our partner's marketing, selling or distributing our products outside their designated territory, possibly in violation of the exclusive distribution rights of other distributors, (iii) our partners making important marketing and other commercial decisions concerning our products without our input, (iv) financial difficulties, and (v) significant changes in a partner's business strategy that may adversely affect its willingness or ability to fulfil its obligations under any arrangement.

As a result of these arrangements, many of the variables that may affect our business, are not exclusively within our control. Our reliance on, and inability to control, our local manufacturers and local sale, marketing and distribution agents could adversely affect our business, financial condition and results of operations. Further, if any of these arrangements is terminated for any reason, or if our partners fail to fulfil their obligations under the relevant agreements or otherwise do not effectively market, sell or distribute our products, or if our relationships with any of such partners are disrupted, our business, financial condition, results of operations and cash flows may be adversely affected.

***14. We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.***

Fraud or other misconduct by our employees, such as unauthorized business transactions, leaking of confidential information especially in relation to products under development, bribery and breach of any applicable law or our internal policies and procedures, or by third parties, such as breach of law, may be difficult to detect or prevent. It could subject us to financial loss and sanctions imposed by government authorities while seriously damaging our reputation. We have not suffered material financial losses or been subject to sanctions as a result of fraud or misconduct by employees or third parties in the past three Financial Years. In particular, we may face risks with respect to fictitious or other fraudulent activities or sale of counterfeit drugs by personnel involved in our operations. Our internal control procedures are designed to monitor our operations and overall compliance. However, we cannot assure you that the measures we have implemented to detect and reduce the occurrence of fraudulent activities would be effective in combating fraudulent transactions or improving overall satisfaction among our stakeholders. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any such deficiencies could materially and adversely affect our business, reputation, financial condition and prospects.

***15. Delay or failure in the performance of our contracts, may adversely affect our business, financial condition and results of operations.***

Our contracts with our partners require us to supply our products, or require our partners to supply us their products, in compliance with specific delivery schedules. If we fail to supply the requisite quantities of our products at the stipulated dates, we will breach such contractual obligations. In particular, pursuant to certain arrangements with such partners, if we fail to supply specified quantities of licensed products, such partners have the right to manufacture such products themselves or procure such products from third parties, both at our expense. For instance, in Government Contracts taken up by the Company if the Company delays the delivery of the products the said customer will charge penalty ranging from 0.5% to 1% of the order value per month. In the customers other than government we do not face any such penalty in case the delivery is delayed from our end. In one such customer that is Karnataka Government on different Purchase Orders aggregating to Rs. 88,82,235 and the Karnataka govt. had deducted late delivery charges aggregating to Rs. 2,76,956. Our or any of our partners' failure to adhere to contractually agreed timelines to deliver or receive our products on a timely basis, may adversely affect our business, financial condition and results of operations.

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

Our products face competition from products commercialized or under development by competitors in all our product portfolios. We compete with local companies, multi-national corporations and companies from the rest of world. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected.

Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Also, we face pressure on our margins due to pricing competition from several small and

unorganized local players. Presence of more players in the unorganized sector compared to organized ones has resulted in increasingly competitive environment characterized by stiff price competition.

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

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

Our success depends significantly on our ability to commercialize new pharmaceutical products in India and across various markets around the world. Commercialization requires us to successfully develop, test and obtain the required regulatory approvals for our products, while complying with applicable regulatory and safety standards. In order to develop a commercially viable product, we must demonstrate, through extensive clinical trials that the products are safe and effective for use in humans. Our products currently under development, if and when fully developed and tested, may not perform as we expect, necessary regulatory approvals may not be obtained in a timely manner, if at all, and we may not be able to successfully and profitably produce and market such products.

Furthermore, even if we are successful in developing a new product, that product may become subject to litigation by third parties claiming our products infringe on their patents or may be seized in-transit by regulatory authorities for alleged infringement of intellectual property or may be otherwise unsuccessful in the marketplace due to the introduction of superior products by competitors. Moreover, it may take an extended period for our new products to gain market acceptance, if at all.

***18. The availability of counterfeit drugs, such as drugs passed off by others as our products, could adversely affect our goodwill and results of operations.***

Entities in India and abroad could pass off their own products as ours, including counterfeit or pirated products. For example, certain entities could imitate our brand name, packaging materials or attempt to create look-alike products. As a result, our market share could be reduced due to replacement of demand for our products and adversely affect our goodwill. The proliferation of counterfeit and pirated products, and the time and attention lost to defending claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition could suffer.

***19. We appoint contract labor for carrying out certain of our operations and we may be held responsible for paying the wages of such workers if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our financial condition, results of operations and cash flows.***

In order to retain flexibility and control costs, in addition to our employees, we appoint independent contractors who in turn engage on-site contract labor for performance of certain of our operations in India. Although we do not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. As on March 31, 2024, 50 workers were employed on a contractual basis. Any requirement to fund their wage requirements may have an adverse effect on our business, financial condition, results of operations and cash flows. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract laborers as permanent employees. Thus, an order from a regulatory body or court in this regard may have an adverse effect on our business, financial condition, results of operations and cash flows.

***20. If we inadvertently infringe on the patents of others, our business may be adversely affected.***

We operate in an industry characterized by extensive patent litigation, including frivolous litigation by competitors to delay grant of patent. Patent litigation can result in significant damages being awarded and injunctions that could prevent the sale of certain products or require us to pay significant royalties in order to continue to sell such products. While it is not possible to predict the outcome of patent litigation, we believe any adverse result of such litigation could include an injunction preventing us from selling our products or payment of significant damages or royalty, which would affect our ability to sell current or future products or prohibit us from enforcing our rights against others. Even though no such instances have occurred in the past, the occurrence of any of these risks in the future could adversely affect our business, financial condition and results of operations.

**21. *Our Company's failure to maintain the quality standards of the products or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.***

Our facilities are approved WHO certified. We have an obligation to and are required to comply with the regulations and quality standards stipulated by, regulators in India and other jurisdictions. While there is no fixed frequency of inspections, our manufacturing facilities and products are subject to multiple periodic inspection/audits by these regulatory agencies and our customers. In case of our export operations, our products depend on recent inventions and developments as we market the products as per the market trends. Any failure to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Our manufacturing facilities and products have not had any non-compliance or quality issues with relevant regulatory requirements that materially affected our business, financial condition or results of operations in the past three Financial Years. For further details please refer section titled ***"Outstanding Litigation and Material Developments"*** on page 180 of this RHP. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customer's expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced new products based on consumers need to cater to the growing demand of our customers and also endeavour regularly update our existing technology, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

**22. *Our global operations expose us to numerous and sometimes conflicting legal and regulatory requirements, and violation of these regulations could harm our business.***

We export our products through third party distributor and merchant exporter in countries like Congo, Benin, Cameg, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan and Kenya, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, the environment tariffs, taxation, sanctions, government affairs, anti-corruption, whistle blowing, internal and disclosure control obligations, data protection and privacy and labour relations and certain regulatory requirements that are specific to our clients' industries. Non-compliance with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disorgement of profits, prohibitions on doing business and have an adverse impact on our reputation. Gaps in compliance with these regulations in connection with the performance of our obligations to our clients could also result in exposure to monetary damages, fines and/or criminal prosecution, unfavourable publicity, restrictions on our ability to process information and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights.

We could also be subject to risks to our reputation and regulatory action on account of any unethical acts by any of our employees or other related individuals. We are subject to risks relating to compliance with a variety of national and local laws, including multiple tax regimes, and employee health, safety, wages and benefits laws. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our business, financial condition and results of operations.

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

**24. *We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.***

Our company's 100% of the revenue is not derived from India. We export our products directly and also do contract manufacturing for our clients who export our products in countries like Congo, Benin, Cameg, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan and Kenya. We also receive revenue in foreign currency from such clients. Any changes in value of currencies with respect to the rupee may cause fluctuations in our operating results expressed in rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our company to the extent of cost of services sold in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

**25. *Our Company is dependent on third party transportation for the delivery of products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation for delivery of our products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. Further, such goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lockouts, inadequacies in the road infrastructure and port facilities, or other events could impair ability to deliver goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

**26. *Any variation in the utilization of the Net Proceeds as disclosed in this Offer Document shall be subject to certain compliance requirements, including prior Shareholders' approval.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this offer document without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition and may adversely affect our business and results of operations. For further details of the proposed objects of the Issue, refer chapter titled "*Objects of the Issue*" on Page no. 76 of this Red Herring Prospectus.

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

We are exposed to payment delays and/or defaults by our customers, especially in the government sector. Our financial position and financial performance are dependent on the creditworthiness of our customers. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any

of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**28. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***

Our business requires a significant amount of working capital. In the event, we are unable to source the required amount of working capital for addressing increase in inventory, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our services.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please refer "***Objects of the Issue***" on page 76 of this Red Herring Prospectus. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments on the services, on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result in increase in the amount of receivables and short-term borrowings. 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, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**29. *Our Promoter, Directors, Key Managerial Personnel and Senior Management have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoter, Directors, Key Managerial Personnel and Senior Management, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company. Our Promoter, Directors, Key Managerial Personnel and Senior Management may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — "***Interest of our Directors***" in the chapter titled — "***Our Management***", the paragraphs titled — "***Interest of our Promoter and Other Interests and Disclosures***" in the chapter titled — "***Our Promoter and Promoter Group***", "***Financial Indebtedness***" and "***Restated Financial Information***" on pages 152, 154, 162 and 160, respectively of this Red Herring Prospectus.

There can be no assurance that our Promoter, Directors, Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of

shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

**30. *Information relating to the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities included in this Red Herring Prospectus, including in “***Our Business –Capacity and Capacity Utilization***” on page 117, are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer in the calculation of the installed manufacturing capacity, actual production and capacity utilization of our manufacturing facilities. Further, capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing facilities as of at the end of the relevant period. Accordingly, actual production levels and rates may differ significantly from the installed capacity information of our facilities or historical installed capacity information of our facilities depending on the product type. Undue reliance should therefore not be placed on our historical installed capacity information for our existing facilities included in this Red Herring Prospectus.

**31. *Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoter and members of our Promoter Group will collectively hold approx. 59.19 % of the Equity share capital of our Company. As a result, our Promoter and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoter and Promoter Group will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoter will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The interests of our Promoter could conflict with the interests of our other equity shareholders, and our Promoter could make decisions that materially and adversely affect your investment in the Equity Shares.

**32. *The average cost of acquisition of Equity Shares held by our Promoter could be lower than the Issue Price.***

Our Promoter’s average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through book building mechanism. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapter titled “***Capital Structure***” on page 62 of this Red Herring Prospectus.

**33. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**34. *In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

As on March 31, 2024 our Company’s total outstanding secured loans are ₹ 569.06 lakhs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favourable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-

budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “**Financial Indebtedness**” on page 162 of this Red Herring Prospectus.

- 35. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.**

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect 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 to the chapter titled “**Objects of the Issue**” beginning on page 76 of this Red Herring Prospectus.

- 36. Our success largely depends upon the knowledge and experience of our Promoter, Directors, our Key Managerial Personnel and our Senior Management. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.**

The growth and success of our Company’s future significantly depends upon the experience of our Promoter and continued services and the management skills of our Senior Management and our Key Managerial Personnel and the guidance of our Promoter and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel and Senior Management in the past, however, any attrition of our experienced Key Managerial Personnel and Senior Management, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to replace those Key Managerial Personnel and Senior Management who leave. In the event we are unable to motivate and retain our Key Managerial Personnel and Senior Management and thereby lose the services of our highly skilled Key Managerial Personnel and Senior Management may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “**Our Management**” on page 139 of this Red Herring Prospectus.

- 37. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.**

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

(₹ in lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Net Cash Flow from/ (used in) Operating Activities	(368.85)	(58.37)	3.74
Net cash generated from/ (used in) investing activities	(33.30)	(28.13)	(59.31)
Net Cash Flow from/ (used in) Financing Activities	401.41	93.69	18.28

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

**38. *Our Group Company, Redline Health Care Private Limited may have conflict of interest with us as it is engaged in similar business and may compete with us.***

Our Group Company, Redline Health Care Private Limited is engaged in a similar line of business as that of our Company. In view of the same, there might be conflicts of interest in future. We have not entered into any non-compete agreements with our Group Company and there can be no assurance that our Group Company will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

**39. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information, kindly refer the chapter titled “*Financial Indebtedness*” beginning on page 162 of this Red Herring Prospectus.

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

Since the Issue size is less than ₹ 10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**41. *Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.***

Our Company intends to use approximately ₹ 925 lakhs of the Net Proceeds towards (i) Funding of expenses proposed to be incurred towards Product registration in the international markets; (ii) Plant upgradation and increase in production capacity (iii) Funding working capital requirements of our Company in the ordinary course of business. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads, as disclosed in the section titled “*Objects of the Issue*” on page 76 of this RHP.

In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Red Herring Prospectus. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Red Herring Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Red Herring Prospectus, we cannot assure that we will be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

Further, our Promoter 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. Additionally, the requirement on Promoter to provide an exit opportunity to such dissenting shareholders may deter the Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**42. *The requirement of funds in relation to the objects of the Issue has not been appraised.***

We intend to use the proceeds of the Issue for the purposes described in the section titled “*Objects of the Issue*” on page 76 of this RHP. The objects of the Issue have not been appraised by any bank or financial institution. These are based on management estimates and current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**43. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance, fire, riots, third party liability claims, etc. Presently, our Company has availed group mediclaim for insuring our employees and a private car policy for insuring the vehicles of our Company to insure our employees and the vehicles owned by us. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

**44. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past, and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” on page 159 of this Red Herring Prospectus.

**45. *We have not independently verified certain data in this Red Herring Prospectus.***

We have not independently verified data from the industry and related data contained in this Red Herring Prospectus. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein 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, inaccurate or unreliable. Due to incorrect 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.

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

We are not a listed Company and have not, historically, 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 listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review 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 which may adversely affect the financial position of the Company.



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, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**47. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

**48. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited 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 issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited due to delay in submission of required documents/ completion of formalities/compliance with required laws by the issuer. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**49. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**50. *The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including, volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the our industry; adverse media reports on us or the industry; 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 can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**51. *There are restrictions on daily movements in the trading price of the Equity Shares, which may adversely affect a shareholder's ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Our listed Equity Shares will be subject to a daily “circuit breaker” imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares’ circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**52. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts’ estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- performance of our competitors and the perception in the market about investments in the industries in which we operate;
- adverse media reports about us or the industries in which we operate;
- significant developments in India’s economic liberalisation and deregulation policies;
- significant developments in India’s fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

**53. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we

will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

**54. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

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

**55. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**EXTERNAL RISK FACTORS**

**56. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 ("**Finance Act**"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable 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. For instance, the Supreme Court of India has, in a decision clarified the components of basic wages, which need to be considered by companies while making provident fund payments. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 ("**PDP Bill**") was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India ("**MoEIT**") has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. 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 impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**57. *Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our activities in India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India's principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

**58. *Foreign investors are subject to foreign investment restrictions under Indian law.***

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

**59. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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

**61. *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 of our business. 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 markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. 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.

**62. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

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

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

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

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## **SECTION IV - INTRODUCTION**

### **THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>	
<b>Equity Shares issued through Public Issue<sup>(1)(2)</sup></b>	Upto 31,00,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b><i>Out of which:</i></b>	
<b>Issue Reserved for the Market Maker</b>	1,72,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>Net Issue to the Public</b>	Upto 29,28,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b><i>Out of which*</i></b>	
A. QIB Portion <sup>(4) (5)</sup>	Not more than 14,60,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b><i>Of which</i></b>	
i. Anchor Investor Portion	Upto 8,76,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto 5,84,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] (including a Share premium of ₹ [●] per Equity Share) per share aggregating to ₹ [●] Lakhs
<b><i>Of which</i></b>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto 32,000 Equity Shares aggregating up to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto 5,52,000 Equity Shares aggregating up to ₹ [●] Lakhs
B. Non-Institutional Portion	Not less than 4,40,000 Equity Shares aggregating up to ₹ [●] Lakhs
C. Retail Portion	Not less than 10,28,000 Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	86,00,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto 1,17,00,000 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 76 of this Red Herring Prospectus.

\* Subject to finalisation 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 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 26, 2023 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on January 17, 2024.
- 3) 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.
- 4) 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.

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

For details, including grounds for rejection of Bids, refer to “**Issue Structure**” and “**Issue Procedure**” on page 212 and 216 of this RHP, respectively. For details of the terms of the Issue, see “**Terms of the Issue**” on page 205 of this RHP.

Our Company, 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 216 of this Red Herring Prospectus.

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## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Financial Years ended March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “**Financial Information**” beginning on Page No. 160 of this Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “**Financial Information**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on Page Nos. 160 and 165, respectively of this Red Herring Prospectus.*

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Summary of Financial Information	S 1 to S3

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**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

ANNEXURE - I  
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1)	<b>EQUITY AND LIABILITIES</b>				
	<u>Shareholders Funds</u>				
	a. Share Capital	V	860.00	600.00	600.00
	b. Reserves & Surplus	VI	658.40	297.99	201.06
2)	<u>Non - Current Liabilities</u>				
	a. Long-term Borrowings	VII	16.14	32.63	64.11
	b. Deferred tax Liabilities	VIII	118.54	116.49	111.40
	c. Long-term Provisions	IX	21.47	21.61	22.99
3)	<u>Current Liabilities</u>				
	a. Short Term Borrowings	X	1,249.51	1,146.87	960.46
	b. Trade Payables	XI			
	- Due to Micro and Small Enterprises		117.29	125.98	52.24
	- Due to Others		590.67	773.88	678.67
	c. Other Current liabilities	XII	105.93	97.28	44.74
	d. Short Term Provisions	XIII	120.12	45.84	18.12
<b>TOTAL</b>			<b>3,858.07</b>	<b>3,258.57</b>	<b>2,753.79</b>
1)	<b>ASSETS</b>				
	<u>Non Current Assets</u>				
	a. Property, Plant & Equipment and Intangible Assets	XIV			
	- Property, Plant & Equipment		1,033.91	1,085.65	1,127.67
	- Intangible Assets		1.01	1.20	1.40
	- Capital Work-in-Progress		14.63	-	-
	b. Long-term Loans & Advances	XV	46.58	46.58	46.58
	c. Other Non-current assets	XVI	30.72	38.55	35.33
2)	<u>Current Assets</u>				
	a. Inventories	XVII	614.26	613.90	472.18
	b. Trade Receivables	XVIII	1,670.00	1,076.82	624.54
	c. Cash and Bank Balance	XIX	55.30	52.82	43.74
	d. Short term loan and advances	XX	391.66	343.05	402.35
<b>TOTAL</b>			<b>3,858.07</b>	<b>3,258.57</b>	<b>2,753.79</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

As per our attached Report of Even Date  
For N C RAJ & ASSOCIATES

Chartered Accountants

FRN : 002249N

DELHI

SANJAY GARG

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

*Bal Krishna*

Bal Krishna (Managing Director)

DIN - 00032772

For Medicamen Organics Limited

*Lalit Gupta*

Lalit Gupta (CFO)

C.F.O.

*Ashutosh Gupta*

Ashutosh Gupta (Director)

DIN - 00039995

For Medicamen Organics Limited

*Varsha Bansal*

Varsha Bansal (Company Secretary)

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**STATEMENT OF PROFIT AND LOSS AS RESTATED**

ANNEXURE - II  
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>INCOME</b>				
	Revenue from Operations	XXI	2,527.17	2,214.71	2,097.52
	Other Income	XXII	1.79	81.53	21.15
	<b>Total Income (A)</b>		<b>2,528.96</b>	<b>2,296.24</b>	<b>2,118.67</b>
<b>B</b>	<b>EXPENDITURE</b>				
	Cost of material consumed	XXIII	1,439.94	1,398.16	1,411.92
	Direct Expenses	XXIV	286.91	241.36	225.41
	Changes in inventories of Finished Goods & Work in Progress	XXV	(146.99)	(59.80)	(71.36)
	Employee benefits expense	XXVI	335.39	316.63	287.36
	Finance costs	XXVII	64.74	61.24	47.32
	Depreciation and amortization expense	XXVIII	71.94	71.16	68.01
	Other expenses	XXIX	138.15	131.52	124.49
	<b>Total Expenses (B)</b>		<b>2,190.08</b>	<b>2,160.27</b>	<b>2,093.15</b>
<b>C</b>	<b>Profit before tax</b>		<b>338.88</b>	<b>135.97</b>	<b>25.52</b>
<b>D</b>	<b>Tax Expense:</b>				
	(i) Current tax	XXXVI	96.42	33.95	3.98
	(ii) Deferred tax expenses/(credit)		2.05	5.09	13.75
	(iii) MAT Credit Entitlement		-	-	(2.35)
	<b>Total Expenses (D)</b>		<b>98.47</b>	<b>39.04</b>	<b>15.38</b>
<b>E</b>	<b>Profit for the year (C-D)</b>		<b>240.41</b>	<b>96.93</b>	<b>10.14</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>				
	i. Basic		<b>3.18</b>	<b>1.62</b>	<b>0.17</b>
	ii. Diluted		<b>3.18</b>	<b>1.62</b>	<b>0.17</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

As per our attached Report of Even Date

For N C RA & ASSOCIATES

Chartered Accountants

FRN : 002248

DELHI

SANJAY GARG

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

*Bal Krishna Gupta*

Bal Krishna Gupta

(Managing Director)

DIN - 00032772

*Varsha Bansal*

Varsha Bansal

(Director)

DIN - 00039995

*Lalit Gupta*

Lalit Gupta

(CFO)

*Varsha Bansal*

Varsha Bansal

(Director)

DIN - 00039995

*Varsha Bansal*

Varsha Bansal

(Director)

DIN - 00039995

*Varsha Bansal*

Varsha Bansal

(Director)

For Medicamen Organics Limited

For Medicamen Organics Limited

C.F.O. (Company Secretary)

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**STATEMENT OF CASH FLOW AS RESTATED**

ANNEXURE - III  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>			
Net Profit before tax as per Profit And Loss A/c	338.88	135.97	25.52
<b>Adjustments for:</b>			
Finance Cost	64.74	61.24	47.32
Gratuity Provision	2.74	(0.96)	4.25
Amount Written Back	-	(79.10)	(18.82)
Amount Written off	10.11	-	-
Interest Income	(1.34)	(0.81)	(2.33)
Leave Encashment Provision	2.05	1.65	1.53
Loss (Profit) on sale of fixed assets	-	-	-
Depreciation and Amortisation Expense	71.94	71.16	68.01
<b>Operating Profit Before Working Capital Changes</b>	<b>489.12</b>	<b>189.15</b>	<b>125.48</b>
Adjusted for (Increase) Decrease in operating assets			
Loans and advances	(48.61)	59.30	(37.41)
Inventories	(0.36)	(141.72)	(206.09)
Trade Receivables	(603.29)	(452.28)	128.37
Other Assets (Including Other Bank Balances)	4.61	(5.11)	(1.37)
Adjusted for Increase (Decrease) in operating liabilities:			
Trade Payables	(191.90)	248.05	48.13
Other Current Liabilities & Provisions	2.89	49.03	(46.83)
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>(347.54)</b>	<b>(53.58)</b>	<b>10.28</b>
Net Income Tax paid/ refunded	(21.31)	(4.79)	(6.54)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(368.85)</b>	<b>(58.37)</b>	<b>3.74</b>
<b>Cash Flow from Investing Activities:</b>			
Purchase of property, plant & equipment and intangible assets (including CWIP)	(34.64)	(28.94)	(61.64)
Sale of property, plant & equipment	-	-	-
Interest Income Received	1.34	0.81	2.33
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(33.30)</b>	<b>(28.13)</b>	<b>(59.31)</b>
<b>Cash Flow from Financing Activities:</b>			
Issue of Shares	60.00	-	-
Securities Premium	120.00	-	-
Proceeds (Repayment) of Borrowings	286.15	154.93	65.60
Finance Cost Paid	(64.74)	(61.24)	(47.32)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>401.41</b>	<b>93.69</b>	<b>18.28</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(0.74)</b>	<b>7.19</b>	<b>(37.29)</b>
<b>Cash &amp; Cash Equivalents As At Beginning of the Year</b>	<b>44.06</b>	<b>36.87</b>	<b>74.16</b>
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>43.32</b>	<b>44.06</b>	<b>36.87</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

Note: The Cash Flow Statements 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 attached Report of Even Date  
For N C RAY & ASSOCIATES

Chartered Accountants

FIR No: 002249N

DELHI

Sanjay Garg

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

Bal Kishan Gupta

(Managing Director)

DIN - 00037772

Ashutosh Gupta

(Director)

DIN - 00039995

For Medicamen Organics Limited

For Medicamen Organics Limited

Lalit Gupta

(CFO)

Varsha Bansal

(Company Secretary)

Company Secretary



## **GENERAL INFORMATION**

Our Company was incorporated on March 15, 1995 as ‘Panchdeep Pharmaceuticals Limited’, a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Our Company has received Certificate of Commencement of Business on March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Subsequently, pursuant to a resolution passed by the Board of Directors in their meeting held on July 31, 1995 and by the Shareholders in their EGM held on October 14, 1995, the name of our Company was changed to ‘Medicamen Organics Limited’ and a fresh certificate of incorporation dated November 14, 1995 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. The corporate identification number of our Company is U74899DL1995PLC066416.

For details of incorporation, change in name and registered office of our Company, see the chapter titled “*History and Certain Corporate Matters*” beginning on page 135 of this RHP.

### **Company Registration Number and Corporate Identity Number**

The registration number and corporate identity number of our Company are as follow:

Particulars	Number
Company Registration Number:	066416
Corporate Identity Number	U74899DL1995PLC066416

### **Registered Office of our Company**

#### **Medicamen Organics Limited**

10 Community Centre No 2  
Ashok Vihar Phase II,  
New Delhi, Delhi, 110052, India.

**Telephone:** +91-9818222845

**E-mail:** [cs@mediorganics.in](mailto:cs@mediorganics.in)

**Investor grievance id:** [support@mediorganics.in](mailto:support@mediorganics.in)

**Website:** [www.medicamenorganics.com](http://www.medicamenorganics.com)

**CIN:** U74899DL1995PLC066416

As on date of this Red Herring Prospectus, our Company does not have a corporate office.

### **Registrar of Companies**

**Our Company is registered with the Registrar of Companies, Delhi and Haryana at Delhi situated at the following address:**

Registrar of Companies, Delhi & Haryana  
4<sup>th</sup> Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi – 110 019,

*(The remainder of this page is intentionally left blank)*

## Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Bal Kishan Gupta	Chairman and Managing Director	00032772	B-4, Satyawati Colony, Ashok Vihar, Phase-3, Ashok Vihar, North West Delhi, Delhi- 110052
2.	Ashutosh Gupta	Whole-time Director	00039995	B-4, Satyawati Colony, Ashok Vihar, Phase-3, Ashok Vihar, North West Delhi, Delhi- 110052
3.	Shailesh Harimohan Gaur	Executive Director	08673822	06, Haridwar Road, Behind Roorkee Public School, Sherpur, Haridwar, Uttarakhand- 247667
4.	Rakesh Kumar	Independent Director	10435938	13/5, 2 <sup>nd</sup> Floor, Shakti Nagar, VTC. Shakti Nagar (North Delhi) PO Malka Ganj., Delhi- 110007
5.	Rajinder Kumar Gupta	Independent Director	00145937	M-3, Satyawati Colony, Ashok Vihar Phase, North West Delhi- 110052
6.	Sachin Gupta	Independent Director	10412134	C-12, Satyawati Colony, Ashok Vihar, Phase 3, Ashok Vihar H.O, North West Delhi-110052
7.	Ms. Sneha Gaur	Non-Executive Non-Independent Director	10412126	06, Haridwar Road, Behind Roorkee Public School, Sherpur, Haridwar, Uttarakhand- 247667

For detailed profile of our directors, please refer to the chapter titled **“Our Management”** on page 139 of the Red Herring Prospectus.

## Chief Financial Officer

### Mr. Lalit Gupta

**Address:** 10 Community Centre No. 2, Ashok Vihar Phase II, New Delhi-110052

**Telephone:** +91- 9818433077

**E-mail:** [finance@mediorganics.in](mailto:finance@mediorganics.in)

## Company Secretary and Compliance Officer

### Ms. Varsha Bansal

**Address:** 10 Community Centre No. 2, Ashok Vihar Phase II, New Delhi-110052

**Telephone:** +91- 9818222845

**E-mail:** [cs@mediorganics.in](mailto:cs@mediorganics.in)

**Investor Grievance E-mail:** [support@mediorganics.in](mailto:support@mediorganics.in)

### 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 Issue other than the 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. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

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

All grievances relating to the Anchor Investors may be addressed to the BRLM, giving full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form.

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

**Details of Key Intermediaries pertaining to this Issue of our Company:**

**Book Running Lead Manager to the Issuer**



**GYR Capital Advisors Private Limited**  
(Formerly known as Alpha Numero Services Private Limited)  
**Address:** 428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej, Ahmedabad-380 054,  
Gujarat, India.  
**Telephone:** +91 +91 877 756 4648  
**Email ID:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)  
**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)  
**Investor Grievance ID:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)  
**Contact Person:** Mr. Mohit Baid  
**SEBI Registration Number:** INM000012810  
**CIN:** U67200GJ2017PTC096908

**Statutory and Peer Review Auditor of our Company**

**N C Raj & Associates,**  
**Chartered Accountants**  
**Address:** 10 Community Centre No. 2,  
Ashok Vihar Phase II, New Delhi-110052  
**Telephone:** +919810831648/ +919810262603  
**Email:** [info@ncraj.com](mailto:info@ncraj.com)  
**Contact Person:** Sanjay Garg  
**Membership No.:** 088636  
**Firm Registration No.:** 002249N  
**Peer Review Certificate No.:** 014034

**Registrar to the Issue**



**KFIN TECHNOLOGIES LIMITED**  
Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally,  
Hyderabad-500 032, Telangana, India.  
**Tel No.:** +91 40 6716 2222 **Fax:** +91 40 2343 1551  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Email:** [nvl.ipo@kfintech.com](mailto:nvl.ipo@kfintech.com);  
**Investor Grievance Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Contact Person:** Mr. M Murali Krishna  
**SEBI Registration No.:** INR000000221



## Legal Counsel to the Issue



### **M/s. Vidhigya Associates, Advocates**

**Address:** 501, 5<sup>th</sup> Floor, Jeevan Sahakar Building,  
Homi Street, Fort, Mumbai-400001

**Contact Person:** Rahul Pandey

**Tel:** +91 8424030160

**Email:** [rahul@vidhigyaassociates.com](mailto:rahul@vidhigyaassociates.com)

## Bankers to our Company



### **Axis Bank Limited**

**Address:** Mega Wholesale Banking Centre, Plot No. 25, 3<sup>rd</sup> Floor,  
Pusa Road, Karol Bagh, New Delhi-110005

**Contact Person:** Manisha Gupta

**Telephone:** +91 011-47396600

**E-mail:** [cbbnewdelhi.branchhead@axisbank.com](mailto:cbbnewdelhi.branchhead@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

## Banker to the Issue, Refund and Sponsor Bank



### **Axis Bank Limited**

**Address:** Kalina Branch | Axis Bank Ltd | Manek Plaza,  
Kurla - Cst Road, | Opp Crystal Plaza | Santacruz East |  
Mumbai - 400098

**Tel No.:** 022 26523006/ 91 98256 09031

**Email:** [Kalina.branchhead@axisbank.com](mailto:Kalina.branchhead@axisbank.com)

**Contact Person:** Sagar Kiran Bhai Vaidya

**Website:** <https://www.axisbank.com>

**SEBI Registration Number:** INBI00000017

## Syndicate Member



### **GYR Capital Advisors Private Limited**

(Formerly known as Alpha Numero Services Private Limited)

**Address:** 428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej, Ahmedabad-380 054,  
Gujarat, India.

**Telephone:** +91 +91 877 756 4648

**Email ID:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)

**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)

**Investor Grievance ID:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)

**Contact Person:** Mr. Mohit Baid  
**SEBI Registration Number:** INM000012810  
**CIN:** U67200GJ2017PTC096908

### **Designated Intermediaries**

#### ***Self-Certified Syndicate Banks***

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

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 (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

#### ***SCSBs enabled for UPI Mechanism***

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.

#### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) as updated from time to time.

#### ***Registrar and Share Transfer Agent***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) 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.

### **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

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Debenture Trustees**

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

### Monitoring Agency

As the Net Proceeds of the Issue will be less than ₹ 10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

### Experts to the Issue

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

Our Company has received written consent dated December 26, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an Independent Statutory Auditor and in respect of its (i) examination report dated May 20, 2024 on our restated financial information; and (ii) its report dated June 12, 2024 on the statement of possible special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

### Inter-se Allocation of Responsibilities

GYR Capital Advisors Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ ROC

Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, is also filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus is also filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/logininvaliduser.do>.

### Changes in Auditors during the last three years

Except as stated below, there has been no change in the statutory auditors of our Company in the last three years preceding the date of this Red Herring Prospectus:

Name of the Auditor	Date of change	Reason of change
<b>Ashok Sharma and Associates, Chartered Accountants</b> <b>Address:</b> 311, Deep Shikha, 8, Rajendra Place, New Delhi-110008 <b>Telephone:</b> 25769764 <b>E-mail:</b> <a href="mailto:casharmaashok@gmail.com">casharmaashok@gmail.com</a> <b>Firm Registration Number:</b> 004161N	December 16, 2023	Resignation of the auditor. The <i>erstwhile</i> auditor did not hold a valid peer review certificate as it had got expired.
<b>N C Raj and Associates, Chartered Accountants</b> <b>Address:</b> Building No.10, 1st Floor, Community Centre No. 2, Ashok Vihar Phase-2, Delhi-110052 India <b>Telephone:</b> +91-11-45172000-99 <b>E-mail:</b> <a href="mailto:info@ncraj.com">info@ncraj.com</a> <b>Firm Registration Number:</b> 002249N <b>Peer Review No.:</b> 014034	December 19, 2023	Appointment as the statutory auditor, in order to fill the casual vacancy caused due to the resignation of the <i>erstwhile</i> auditor.

## **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 all editions of the English national newspaper and all editions of Hindi national newspaper (Hindi, being the regional language of New Delhi, 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 GYR Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India 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, in this case being KFin Technologies Limited
- The Escrow Collection Banks/ Bankers 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 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 BRLM 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 BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders 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. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

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 applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 216 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 216 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. 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 finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “**Issue Procedure**” on page 216 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### **Bid/Issue Program:**

Event	Indicative Dates
Anchor Portion Offer Opens/Closes on	June 20, 2024 <sup>1</sup>
Bid/Issue Opening Date	June 21, 2024
Bid/Issue Closing Date	June 25, 2024 <sup>2</sup>

Finalization of Basis of Allotment with the Designated Stock Exchange (T+1)	On or before June 26, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account (T+2)	On or before June 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before June 27, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before June 28, 2024

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

*(2) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

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

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 Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and National Stock Exchange of India Limited Emerge 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 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 BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

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

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

### **WITHDRAWAL OF THE ISSUE**

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 Red Herring 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 approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

### **UNDERWRITING AGREEMENT**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the BRLM.

Pursuant to the terms of the Underwriting Agreement dated May 17, 2024 entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriters	No. of shares underwritten*	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>GYR Capital Advisors Private Limited</b> <i>(Formerly known as Alpha Numero Services Private Limited)</i> 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat <b>Telephone:</b> +91 877 756 4648 <b>Facsimile:</b> N.A. <b>Email ID:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a> <b>Investor Grievance ID:</b> <a href="mailto:investors@gyrcapitaladvisors.com">investors@gyrcapitaladvisors.com</a>	Upto 31,00,000 Equity Shares	[●]	100%

*\*Includes 1,72,000 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 above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company has entered into a Market Making Agreement dated May 17, 2024 with the following Market Maker for fulfilling the Market Making obligations under this Issue:

<b>Name</b>	Giriraj Stock Broking Private Limited
<b>Correspondence Address</b>	4, Fairlie Place, HMP House, 4th Floor, Suite No- 421A, Kolkata- 700001, India
<b>Tel No.</b>	033- 40054519 / 9547473969
<b>E-mail</b>	<a href="mailto:girirajstock@yahoo.com">girirajstock@yahoo.com</a>
<b>Website</b>	<a href="http://www.girirajstock.com">www.girirajstock.com</a>
<b>Contact Person</b>	Mr. Kuntal Latha
<b>SEBI Registration No.</b>	INZ000212638
<b>Market Maker Registration No.</b>	90318



In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated May 17, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 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.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. 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. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

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



11. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two- way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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.

16. 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)
Upto ₹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 / National Stock Exchange of India Limited from time to time.

## CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is set forth below:

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL <sup>(1)</sup></b>		
	1,40,00,000 Equity Shares of face value of ₹ 10 each	1400	-
	<b>TOTAL</b>	<b>1400</b>	
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	86,00,000 Equity Shares of face value of ₹ 10 each	860	-
<b>C</b>	<b>PROPOSED ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS</b>		
	Issue of 31,00,000 Equity Shares <sup>(2)</sup>	310	[•]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>		
	1,17,00,000 Equity Shares of face value of ₹ 10 each*	1170	[•]
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue (as on date of this Red Herring Prospectus)	211.44	
	After the Issue		[•]

\* To be updated upon finalization of the Issue Price.

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company in the last 10 years, please refer section titled '**History and Certain Corporate Matters - Amendments to our Memorandum of Association**' on page 135 of this RHP.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board dated December 26, 2023 and by a special resolution of our Shareholders dated January 17, 2024.

### Notes to the Capital Structure

#### 1. Equity Share capital history of our Company

(a) The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Details of Allottees
March 15, 1995	Initial subscription to the MoA	900	10	10	Cash	<ul style="list-style-type: none"> <li>• 100 equity shares were subscribed by Bal Kishan Gupta</li> <li>• 100 equity shares were subscribed by Lakhwinder Singh Arora</li> <li>• 100 equity shares were subscribed by Virender Kumar</li> <li>• 100 equity shares were</li> </ul>

Date of allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Details of Allottees
						<p>subscribed by Ranjit Singh</p> <ul style="list-style-type: none"> <li>• 100 equity shares were subscribed by Anand Kumar Razdan</li> <li>• 100 equity shares were subscribed by Ashok Nayyar</li> <li>• 100 equity shares were subscribed by Shila Gupta</li> <li>• 100 equity shares were subscribed by Gursharan Arora</li> <li>• 100 equity shares were subscribed by Tarlochan Singh Sarna</li> </ul>
March 31, 1999	Rights Issue*	11,350	10	10	Cash	<ul style="list-style-type: none"> <li>• 2,250 equity shares were allotted to Bal Kishan Gupta,</li> <li>• 4,200 equity shares were allotted to Ritu Gupta</li> <li>• 500 equity shares were allotted to Ashutosh Gupta</li> <li>• 100 equity shares were allotted to B.K Gupta &amp; HUF</li> <li>• 4300 equity shares were allotted to Bimla Rani Trehan</li> </ul>
March 31, 2000	Preferential Issue	8,000	10	10	Cash	<ul style="list-style-type: none"> <li>• 5,000 equity shares were allotted to Bal Kishan Gupta,</li> <li>• 3,000 equity shares were allotted to Ashutosh Gupta</li> </ul>
February 28, 2001	Preferential Issue	27,500	10	10	Cash	<ul style="list-style-type: none"> <li>• 7,500 equity shares were allotted to Bal Kishan Gupta</li> <li>• 10,000 equity shares were allotted to Ashutosh Gupta</li> <li>• 10,000 equity shares allotted to Ritu Gupta</li> </ul>
March 29, 2001	Preferential Issue	50,000	10	10	Cash	<ul style="list-style-type: none"> <li>• 50,000 equity shares were allotted to M/s Raghavi Finance Limited</li> </ul>
March 13, 2007	Preferential Issue	4,02,250	10	10	Cash	<ul style="list-style-type: none"> <li>• 3,32,150 equity shares were allotted to Bal Kishan Gupta</li> <li>• 70,000 equity shares were allotted to Ashutosh Gupta</li> <li>• 100 equity shares were allotted to Nitin Gupta</li> </ul>
March 31, 2008	Preferential Issue	5,00,000	10	11	Cash	<ul style="list-style-type: none"> <li>• 3,00,000 equity Shares were allotted to Bal Kishan Gupta.</li> <li>• 1,23,000 equity shares were issued to Ashutosh Gupta.</li> </ul>

Date of allotment	Reason / Nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Details of Allottees
						<ul style="list-style-type: none"> <li>• 77,000 equity shares were issued to Ritu Gupta.</li> </ul>
January 13, 2010	Preferential Issue**	3,15,101	10	18.64	Cash	<ul style="list-style-type: none"> <li>• 3,15,101 equity shares were allotted to Kim Ginnerup, APS.</li> </ul>
January 15, 2010	Preferential Issue**	6,84,899	10	18.64	Cash	<ul style="list-style-type: none"> <li>• 6,84,899 equity shares were allotted to Kim Ginnerup, APS.</li> </ul>
January 08, 2018	Bonus Issue	40,00,000	10	N.A.	N.A.	<ul style="list-style-type: none"> <li>• 29,91,100 equity shares were allotted to Bal Kishan Gupta</li> <li>• 1,91,000 equity shares were allotted to Ritu Gupta</li> <li>• 4,13,000 equity shares were allotted to Ashutosh Gupta</li> <li>• 200 equity shares were allotted to B.K. Gupta &amp; Sons HUF</li> <li>• 200 equity shares were allotted to Suchita Gupta</li> <li>• 4,500 equity shares were allotted to Ishaan Gupta</li> <li>• 4,00,000 equity shares were allotted to Shivani Gupta</li> </ul>
July 17, 2023	Conversion of Loan into Equity Shares	20,00,000	10	10	Cash	<ul style="list-style-type: none"> <li>• 20,00,000 equity shares were allotted to Bal Kishan Gupta</li> </ul>
January 02, 2024	Preferential Issue	600,000	10	30	Cash	<ul style="list-style-type: none"> <li>• 300,000 equity shares were allotted to Pawan Gupta</li> <li>• 300,000 equity shares were allotted to Sanjay Kumar Singhal</li> </ul>

(1) Our Company was incorporated under the Companies Act, 1956 pursuant a certificate of incorporation dated March 15, 1995 issued by the Registrar of Companies, Delhi.

(2) \*We have been unable to trace the filing with the RoC for this issuance. The details have been determined on the basis of the minutes of the meetings of the board and shareholders and the register of members maintained by our Company. We have conducted a search at RoC for this record and relied on the search report by, independent practicing company secretary. For further details, see **“Risk Factors - Some of our corporate records relating to changes in the share capital of our Company, allotments made by our Company, and transfers and acquisitions of Equity Shares made by our Promoters, not traceable”** on page 32 of this RHP.

(b) **Equity Shares issued for consideration other than cash or out of revaluation reserves**

Our Company has not issued any Equity Shares out of its revaluation reserves. Further, except as stated below, our Company has not issued Equity Shares for consideration other than cash:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
January 08, 2018	40,00,000	10	N.A.	Bonus issue in the ratio of 1:2 Equity Shares authorised by our Board, pursuant to a resolution passed at its meeting held on January 08, 2018 and by our Shareholders pursuant to a resolution passed at the EGM held on January 08, 2018. <sup>(1)</sup>	N.A.	Bonus shares issued by capitalizing a sum of Rs 4,00,00,000 out of General Reserve.

*In the Bonus Issue, 29,91,100 equity shares were allotted to Bal Kishan Gupta, 1,91,000 equity shares were allotted to Ritu Gupta, 4,13,000 equity shares were allotted to Ashutosh Gupta, 200 equity shares were allotted to B.K. Gupta & Sons HUF, 200 equity shares were allotted to Suchita Gupta, 4500 equity shares were allotted to Ishaan Gupta and 4,00,000 equity shares were allotted to Shivani Chopra.*

(c) **Equity Shares allotted in terms of any schemes of arrangement**

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) **Equity Shares allotted at a price lower than the Issue Price in the last year**

Except as mentioned below, our Company has not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Red Herring Prospectus:

Date of Allotment	Reason for allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Benefits accrued to our Company
July 17, 2023	Conversion of Loan into Equity Shares	20,00,000	10	N.A.	Outstanding amount due from the company to Mr. Bal Kishan Gupta, director of the company in respect of loan taken by the company from him of Rs Two crores is repaid.
January 02, 2024	Preferential Issue- Further Issue of Shares	600,000	10	30	Further issue of shares

2. As on the date of this Red Herring Prospectus, our Company does not have any outstanding preference shares.

3. **Equity Shares issued pursuant to employee stock option schemes**

As on date of this Red Herring Prospectus, our Company has not issued Equity Shares pursuant to employee stock option schemes.

#### 4. Shareholding Pattern of our Company

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number 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)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoters and Promoter Group	5	69,83,900	81.21	-	69,83,900	81.21	69,83,900	-	69,83,900	81.21	-	-	-	-	-	-	69,83,900
(B)	Public	29	16,16,100	18.79	-	16,16,100	18.79	16,16,100	-	16,16,100	18.79	-	-	-	-	-	-	16,16,100
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A)+(B)+(C)</b>	<b>34</b>	<b>86,00,000</b>	<b>100.00</b>	<b>-</b>	<b>86,00,000</b>	<b>100.00</b>	<b>86,00,000</b>	<b>-</b>	<b>86,00,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,00,000</b>

\*We have completed the process of ISIN activation with both the depositories - NSDL and CDSL. The shares are 100% dematerialised as Pre- Issue paid up capital of our Company.

## 5. Major shareholder

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

- a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Mr. Bal Kishan Gupta	61,02,650	70.96
2.	Mr. Ashutosh Gupta	5,87,400	6.83
3.	Ms. Ritu Gupta	2,86,500	3.33
4.	Ms. Shivani Chopra	600,000	6.98
5.	Livealth Biopharma Private Limited	100,000	1.16
6.	Mr. Surinder Kumar Goel	100,000	1.16
7.	Mr. Pawan Kumar	1,60,000	1.86
<b>Total</b>		<b>79,36,550</b>	<b>92.28</b>

- b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Mr. Bal Kishan Gupta	61,02,650	70.96
2.	Mr. Ashutosh Gupta	5,87,400	6.83
3.	Ms. Ritu Gupta	2,86,500	3.33
4.	Ms. Shivani Chopra	600,000	6.98
5.	Livealth Biopharma Private Limited	100,000	1.16
6.	Mr. Surinder Kumar Goel	100,000	1.16
7.	Mr. Sanjay Kumar Singhal	300,000	3.49
8.	Mr. Pawan Kumar	300,000	3.49
<b>Total</b>		<b>83,76,550</b>	<b>97.40</b>

- c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company one year prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Mr. Bal Kishan Gupta	44,86,650	74.78
2.	Mr. Ashutosh Gupta	6,19,500	10.33
3.	Ms. Shivani Chopra	6,00,000	10.00
4.	Ms. Ritu Gupta	2,86,500	4.78
<b>Total</b>		<b>59,92,650</b>	<b>99.88</b>

- d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of filing of this Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre-Issue share capital
1.	Mr. Bal Kishan Gupta	44,86,650	74.78
2.	Mr. Ashutosh Gupta	6,19,500	10.33
3.	Ms. Shivani Chopra	6,00,000	10.00
4.	Ms. Ritu Gupta	2,86,500	4.78
<b>Total</b>		<b>59,92,650</b>	<b>99.88</b>

6. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, by way of split/ consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company
7. There are no outstanding options or stock appreciation rights or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Red Herring Prospectus.
8. As on the date of this Red Herring Prospectus, our Company has a total of Thirty-Five (35) Shareholders.

**9. Details of Shareholding Pattern of our Promoter, Promoter Group and Public before and after the Issue**

**(i) Equity Shareholding of the Promoter, Promoter Group and Public:**

As on the date of this Red Herring Prospectus, our Promoters hold 66,90,050 Equity Shares, equivalent to 77.79% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below:

S. No.	Particulars	No. of Equity Shares	As a % of Pre-Issue Capital	No. of Equity Shares	As a % of Post Issue Capital
<b>Promoter</b>					
1.	Mr. Bal Kishan Gupta	61,02,650	70.96	61,02,650	●
2.	Mr. Ashutosh Gupta	5,87,400	6.83	5,87,400	●
	<b>Total (A)</b>	<b>66,90,050</b>	<b>77.79</b>	<b>66,90,050</b>	●
<b>Promoter Group</b>					
3.	M/s B. K. Gupta & Sons	300	0.03	300	●
4.	Ms. Ritu Gupta	2,86,500	3.33	2,86,500	●
5.	Mr. Ishaan Gupta	7,050	0.08	7,050	●
	<b>Total (B)</b>	<b>2,93,850</b>	<b>3.44</b>	<b>2,93,850</b>	●
<b>Public</b>					
6.	Mr. Gaurav Kumar	100	0.00	100	●
7.	Ms. Shivani Chopra	600,000	6.98	600,000	●
8.	Mr. Nitin Karra	16,000	0.19	16,000	●
9.	Mr. Sachin Mehra	4,000	0.05	4,000	●
10.	Ms. Kalyani Sarkar	4,000	0.05	4,000	●
11.	Mr. Deepak Gupta	4,000	0.05	4,000	●
12.	Ms. Tanishka Goel	4,000	0.05	4,000	●
13.	Mr. Navmeet Luthra	20,000	0.23	20,000	●
14.	M/s Livealth Biopharma Private Limited	100,000	1.16	100,000	●
15.	Mr. Ashish Mehra	56,000	0.65	56,000	●
16.	Mr. Surinder Kumar Goel	100,000	1.16	100,000	●
17.	Mr. Apoorv Yadav	4,000	0.05	4,000	●
18.	Ms. Suman Yadav	4,000	0.05	4,000	●
19.	Aekansh Yadav	4,000	0.05	4,000	●
20.	Mr. Anil Kumar Yadav	8,000	0.09	8,000	●
21.	Chhavi Gupta	16,000	0.19	16,000	●
22.	Ms. Shruti Goel	12,000	0.14	12,000	●
23.	Megha Gupta	16,000	0.19	16,000	●
24.	Jaswant Kumar Gupta	28,000	0.33	28,000	●
25.	Rita Ahuja	16,000	0.19	16,000	●
26.	Mr. Sanjay Kumar Singhal	70,000	0.81	70,000	●
27.	Mr. Pawan Kumar Gupta	1,60,000	1.86	1,60,000	●
28.	Mr. Jinendra Kumar Jain	100,000	1.16	100,000	●



29.	Mr. Anil Kumar Gadodia	10,000	0.11	10,000	[•]
30.	M/s Izuz Consultancy Private Limited	15,000	0.17	15,000	[•]
31.	Mr. Saurabh Gupta	40,000	0.46	40,000	[•]
32.	M/s Pawan Kumar Garg HUF	1,10,000	1.28	1,10,000	[•]
33.	Ms. Shitu Gupta	15,000	0.17	15,000	[•]
34.	Mr. Prabodh Gupta HUF	60,000	0.70	60,000	[•]
35.	Indu Bansal	20,000	0.23	20,000	[•]
<b>Total (C)</b>		<b>16,16,100</b>	<b>18.79</b>	<b>16,16,100</b>	[•]
<b>Total (A+B+C)</b>		<b>86,00,000</b>	<b>100.00</b>	<b>86,00,000</b>	[•]

\* Subject to finalisation of Basis of Allotment

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Red Herring Prospectus.

(iii) **Build-up of the Promoters' shareholding in our Company**

The build-up of the Equity shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of allotment/ transfer/ transmission	Details of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of pre-Issue Equity Share capital	Percentage of post- Issue Equity Share capital*
<b>Bal Kishan Gupta</b>						
March 15, 1995	Subscription to MoA	100	10	10	0.001	[•]
March 31, 1999	Allotment of Equity Shares under Further Issue	2,250	10	10	0.026	[•]
March 31, 2000	Allotment of Equity Shares under Further Issue	5,000	10	10	0.058	[•]
April 24, 2000	Transmission of Equity Shares from Shilpa Gupta	100	10	-	0.001	[•]
February 28, 2001	Allotment of Equity Shares under Further Issue	7,500	10	10	0.087	[•]
May 25, 2002	Transfer of Equity Shares from Raghavi Finance Limited	50,000	10	10	0.581	[•]
May 25, 2005	Transfer of Equity Shares from Virendra Kumar	100	10	10	0.001	[•]
May 25, 2005	Transfer of Equity Shares from Ashok Nayyar	100	10	10	0.001	[•]
May 25, 2005	Transfer of Equity Shares from Tarlochan Singh Sarna	100	10	10	0.001	[•]
May 25, 2005	Transfer of Equity Shares from Anand Kumar Rajdan	100	10	10	0.001	[•]
March 13, 2007	Allotment of Equity Shares under Further Issue	3,32,150	10	10	3.862	[•]
March 31, 2008	Allotment of Equity Shares under Further Issue	3,00,000	10	10	3.489	[•]

Date of allotment/ transfer/ transmission	Details of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of pre-Issue Equity Share capital	Percentage of post- Issue Equity Share capital*
October 05, 2009	Transfer of Equity Shares from Lakhwinder Singh Arora	100	10	10	0.001	[•]
October 05, 2009	Transfer of Equity Shares from Ranjit Singh	100	10	10	0.001	[•]
October 05, 2009	Transfer of Equity Shares from Gursharan Arora	100	10	10	0.001	[•]
February 15, 2010	Transfer of Equity Shares to Ishaan Gupta	(2,250)	10	N. A	0.026	[•]
July 08, 2016	Transfer of Equity Shares from KIM Ginnerup, APS	6,84,899	10	31.26	7.963	[•]
November 27, 2017	Transfer of Equity Shares to Shivani Chopra	(2,00,000)	10	31.26	2.325	[•]
November 27, 2017	Transfer of Equity Shares from KIM Ginnerup, APS	3,15,101	10	31.26	3.663	[•]
January 08, 2018	Allotment of Equity Shares by way of Bonus Issue	29,91,100	10	10	34.780	[•]
July 17, 2023	Allotment of Equity Shares by way of conversion of Loan	20,00,000	10	10	23.256	[•]
December 20, 2023	Transfer of Equity Shares to Surinder Kumar Goel	(100,000)	10	30	1.163	[•]
December 20, 2023	Transfer of Equity Shares to Apoorv Yadav	(4,000)	10	30	0.046	[•]
December 20, 2023	Transfer of Equity Shares to Suman Yadav	(4,000)	10	30	0.046	[•]
December 20, 2023	Transfer of Equity Shares to Aekansh Yadav	(4,000)	10	30	0.046	[•]
December 20, 2023	Transfer of Equity Shares to Anil Kumar Yadav	(8,000)	10	30	0.093	[•]
December 21, 2023	Transfer of Equity Shares to Chhavi Gupta	(16,000)	10	30	0.186	[•]
December 21, 2023	Transfer of Equity Shares to Shruti Goel	(12,000)	10	30	0.140	[•]
December 30, 2023	Transfer of Equity Shares to Livealth Biopharma Private Limited	(100,000)	10	30	1.163	[•]
January 03, 2024	Transfer of Equity Shares to Megha Gupta	(16,000)	10	30	0.186	[•]
January 03, 2024	Transfer of Equity Shares to Navneet Luthra	(20,000)	10	30	0.233	[•]

Date of allotment/ transfer/ transmission	Details of allotment/ transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ transfer price per Equity Share (₹)	Percentage of pre-Issue Equity Share capital	Percentage of post- Issue Equity Share capital*
January 03, 2024	Transfer of Equity Shares to J K Gupta	(28,000)	10	30	0.325	[•]
January 03, 2024	Transfer of Equity Shares to Rita Ahuja	(16,000)	10	30	0.186	[•]
January 04, 2024	Transfer of Equity Shares to Ashish Mehra	(56,000)	10	30	0.651	[•]
<b>Total</b>		<b>61,02,650</b>			<b>84.595</b>	<b>[•]</b>
<b>Ashutosh Gupta</b>						
31 <sup>st</sup> March, 1999	Allotment of Equity Shares under Further Issue	500	10	10	0.005	[•]
31 <sup>st</sup> March, 2000	Allotment of Equity Shares under Further Issue	3000	10	10	0.034	[•]
28 <sup>th</sup> February, 2001	Allotment of Equity Shares under Further Issue	10000	10	10	0.116	[•]
13 <sup>th</sup> March, 2007	Allotment of Equity Shares under Further Issue	70000	10	10	0.814	[•]
31 <sup>st</sup> March, 2008	Allotment of Equity Shares under Further Issue	123000	10	10	1.430	[•]
8 <sup>th</sup> January, 2018	Allotment of Equity Shares by way of Bonus Issue	413000	10	-	4.802	[•]
8 <sup>th</sup> , December, 2023	Transfer to Gaurav Kumar	(100)	10	30	0.001	[•]
29 <sup>th</sup> December, 2023	Transfer to Tanishka Goel	(4000)	10	30	0.046	[•]
29 <sup>th</sup> December, 2023	Transfer to Deepak Gupta	(4000)	10	30	0.046	[•]
3 <sup>rd</sup> January, 2024	Transfer to Nitin Kara	(16000)	10	30	0.186	[•]
4 <sup>th</sup> January, 2024	Transfer to Kalyani Sarkar	(4000)	10	30	0.046	[•]
4 <sup>th</sup> January, 2024	Transfer to Sachin Mehra	(4000)	10	30	0.046	[•]
<b>Total</b>		<b>5,87,400</b>			<b>7.572</b>	<b>[•]</b>

\* Subject to finalisation of Basis of Allotment

- (iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- (v) As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

- (vi) Except as disclosed below and in “– **Build-up of the Promoter’s shareholding in our Company**” on page 69, none of the members of the Promoter Group, the Promoter, the Directors of our Company, the directors of our Promoter, nor any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus:

Date of transfer	Name of the transferor	Name of the transferee	Number of Equity Shares transferred	Transfer price per Equity Share (in ₹)
December 08, 2023	Ashutosh Gupta	Gaurav Kumar	100	30
December 11, 2023	Suchita Gupta	Ishaan Gupta	300	N.A Transfer vide Gift Deed
December 20, 2023	Bal Kishan Gupta	Surinder Kumar Goel	100,000	30
December 20, 2023	Bal Kishan Gupta	Apoorv Yadav	4,000	30
December 20, 2023	Bal Kishan Gupta	Suman Yadav	4,000	30
December 20, 2023	Bal Kishan Gupta	Aekansh Yadav	4,000	30
December 20, 2023	Bal Kishan Gupta	Anil Kumar Yadav	8,000	30
December 21, 2023	Bal Kishan Gupta	Chhavi Gupta	16,000	30
December 21, 2023	Bal Kishan Gupta	Shruti Goel	12,000	30
December 29, 2023	Ashutosh Gupta	Deepak Gupta	4,000	30
December 29, 2023	Ashutosh Gupta	Tanishka Goel	4,000	30
December 30, 2023	Bal Kishan Gupta	Livealth Biopharma Private Limited	100,000	30
January 03, 2024	Ashutosh Gupta	Nitin Kara	16,000	30
January 03, 2024	Bal Kishan Gupta	Megha Gupta	16,000	30
January 03, 2024	Bal Kishan Gupta	Navneet Luthra	20,000	30
January 03, 2024	Bal Kishan Gupta	J K Gupta	28,000	30
January 03, 2024	Bal Kishan Gupta	Rita Ahuja	16,000	30
January 04, 2024	Bal Kishan Gupta	Ashish Mehra	56,000	30
January 04, 2024	Ashutosh Gupta	Sachin Mehra	4,000	30
January 04, 2024	Ashutosh Gupta	Kalyani Sarkar	4,000	30

#### 10. Promoter’s Contribution and other Lock-In details:

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment (“**Minimum Promoter’s Contribution**”), and the Promoter’s shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter’s Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<b>Bal Kishan Gupta</b>							
22,40,000	Allotment of Equity Shares by way of Bonus Issue	January 08, 2018	10.00	NIL	Other than Cash	19.14	3 years
<b>Ashutosh Gupta</b>							
1,00,000	Allotment of Equity Shares by way of Bonus Issue	January 08, 2018	10.00	NIL	Other than Cash	0.86	3 years
<b>23,40,000</b>	-	-	-	-	-	<b>20.00</b>	

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoter are in dematerialized form.

For details of the build-up of the Equity Share capital held by our Promoter, see chapter titled “**Capital Structure - Shareholding of our Promoter**” on Page No. 69 of this RHP.

The Promoter’s Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

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

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares issued to the Promoter upon conversion of a partnership firm;
- Equity Shares held by the Promoter that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoter’s Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter’s Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoter’s Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter’ Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

### ***Other requirements in respect of 'lock-in'***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoter which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoter / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoter which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

11. Our Company, our Promoter, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
12. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
13. There have been no financing arrangements whereby our directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Red Herring Prospectus.
14. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
15. There neither have been and there will be no further issue of Equity Shares 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 filing of the Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
16. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Red Herring Prospectus.
17. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
18. Our Company shall ensure that any transactions in Equity Shares by our Promoter and the Promoter Group during the period between the date of filing the Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
19. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.
20. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM 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.
21. Our Promoter and the members of our Promoter Group will not participate in the Issue.

22. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel and Senior Management Personnel:

Sr. No.	Name of Director / Key Management Personnel / Senior Management	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Mr. Bal Kishan Gupta	61,02,650	70.96
2)	Mr. Ashutosh Gupta	5,87,400	6.83

23. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
24. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “**Basis of Allotment**” in the section titled “**Issue Procedure**” beginning on Page No. 237 of this Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
25. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
26. An over-subscription to the extent of 10% of the 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.
27. 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 BRLM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
28. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
29. As on date of this Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

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## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 31,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:

Our Company proposes to utilize the Net Proceeds from the Issue towards the following objects:

1. Funding of expenses proposed to be incurred towards Product registration in the international markets;
2. Plant updation and increase in production capacity;
3. Funding working capital requirements of our Company;
4. General Corporate Purposes.

(Collectively, referred to herein as the “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE Limited. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

### **Issue Proceeds & Net Proceeds**

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
<b>Net Proceeds</b>	[●]

<sup>(1)</sup> To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### **Requirement of Funds and Utilization of Net Proceeds**

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

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Funding of expenses proposed to be incurred towards Product registration in the international markets;	Up to 300.00
2.	Plant updation and increase in production capacity	Up to 225.00
3.	Funding working capital requirements of our Company	Up to 400.00
4.	General corporate purposes <sup>(1)(2)</sup>	[●]

<sup>(1)</sup> To be finalized on determination of the Issue Price and updated in the Red Herring Prospectus/ Prospectus prior to filing with the ROC.

<sup>(2)</sup> The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.



## Schedule of implementation and Means of Finance

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in lakhs)

Sr N	Particulars	Total estimated cost	Amount which will be financed from Net Proceeds of IPO <sup>(1)</sup>	Internal Accruals/ Equity Reserves	Balance from Long Term or Short-Term Borrowings
1.	Funding of expenses proposed to be incurred towards Product registration in the international markets;	Up to 387.63	Up to 300.00	Up to 87.83	[•]
2.	Plant updation and increase in production capacity	Up to 332.00	Up to 225.00	Up to 107.00	[•]
3.	Funding working capital requirements of our Company	[•]	Up to 400.00	[•]	[•]
4.	General corporate purposes <sup>(1)</sup>	[•]	[•]	[•]	[•]

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

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions competitive environment and interest or exchange rate fluctuations, changes in design and configuration of the project, increase in input costs of construction materials and labour costs, logistics and transport costs incremental preoperative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for 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. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, 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 surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

The fund requirements mentioned above are based on the internal management estimates of our Company, and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

## Means of Finance

The entire fund requirements for our Objects are proposed to be funded from the Net Proceeds and internal accruals. Accordingly, we confirm that there are no requirements to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, in addition to the Net Proceeds, under SEBI ICDR Regulations and Paragraph

9(C)(1) of Part A of Schedule VI of the SEBI ICDR Regulations. Subject to applicable laws, in case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

### Deployment of Funds and Sources of Funds

As on date of this Red Herring Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

### Details of the Objects

#### 1. Funding of expenses proposed to be incurred towards Product registration in the international markets;

Our Company proposes to utilise up to ₹ 300 lakhs from the Net Proceeds towards funding of expenses proposed to be incurred towards Product registration in the international markets.

Our Company having been established in 1995, has more than 29 years of experience in the pharmaceutical business and is engaged in the manufacturing and distribution of pharmaceutical dosage form such as Capsules, Ointments, Suspension, Dry Powder Sachet, Tablets to institutions (including both state and central governments) in domestic directly as well as international markets through third party distributors. We offer wide range of pharmaceutical formulations and products manufactured at our 2 (two) WHO GMP approved manufacturing units located at Sidcul industrial area, Haridwar, Uttarakhand. Our products are marketed across India as well as African, Latin American and south East Asian Countries. In order to direct export our products, we have to get our products registered and approved by the local regulatory authorities in the respective markets in which we intend to export. Registration involves the preparation and submission of data dossiers which require detailed product specifications, understanding of the market dynamics and accurate compilation of required documents. Detailed study on the effect and the efficacy of the product is required to be conducted and details of the results of these studies are submitted as part of the registration process.

In order to increase our product portfolio in international market our company has earmarked an amount of Rs. 300.00 Lakhs out of the Net Proceeds of the Issue for the product registration in the international markets. Our company has obtained quotations from various consultants for product registration in the international market.

Quotations received, for funding of expenses proposed to be incurred towards obtaining various certifications from the Food and Drug Administration (“FDA”)/ National Agency for Food & Drug Administration & Control (“NAFDAC”) is as below:

Sr. No.	Country Name	Quotation Date	Name of Consultant	Item	Number of Products	Amount in US \$	Amount in INR ₹ (Lakhs)
1	GHANA	January 17, 2024	Sanspharma Ghana Ltd	Product registration Fees for FDA	50	36,000	29.85
				GMP Inspection Fees for General Product Plant	1	7,500	6.21
				Service Charge for Product Registrations	50	20,000	16.58
				Service Charge for Plants Inspection		1,000	0.82
				<b>Sub Total</b>		<b>64,500</b>	<b>53.48</b>
2	RWANDA	January 28, 2024	Sun Enterprises Limited	Submission of Dossier fees to Rwanda FDA	100	75,000	62.19
				GMP Inspection		3,000	2.48
				<b>Sub Total</b>		<b>78,000</b>	<b>64.68</b>
3	NIGERIA	January 24, 2024	NCI Pharm. Chem. Ind. Ltd.	GMP Inspection	1	11,800	9.78
				Production Registration	50	70,000	58.05
				Service Charge for GMP inspection	1	1,000	0.82
				Service Charge for Product Registration	50	20,000	16.58
				<b>Sub Total</b>		<b>1,02,800</b>	<b>85.25</b>

4	KENYA	December, 2015	Pharmacy Board Kenya	GMP Inspection		4,000	3.31
				Product Registration (Per Product \$ 1000)	50	50,000	41.46
				MEDS (Lab Charges per Sample \$700)	50	35,000	29.02
				<b>Sub Total</b>		<b>89,000</b>	<b>73.80</b>
5	New Zealand	January 28, 2024	Medsafe	Dossier Verification & Submissior (Per product \$ 26626)	5	1,33,130	110.40
				<b>Sub Total</b>		<b>1,33,130</b>	<b>110.40</b>
				<b>Total registration cost in USD</b>		<b>\$ 4,67,430</b>	
				<b>Total registration cost in INR</b>			<b>₹ 387.63 Lakhs</b>

Note: 1. (1 USD= Rs 82.93 as on February 21, 2024)

2. Validity of Quotation: Until new rates are introduced by respective government authority.

**The said quotations converted in Indian ₹ comes to ₹ 387.83 Lakhs.**

## 2. Plant updation and increase in production capacity.

Our Company proposes to utilise up to ₹ 225 lakhs from the Net Proceeds towards funding of expenses proposed to be incurred towards plant updation and increase in production capacity.

At present, we have two manufacturing plants (UNIT-I and UNIT-II). The capacity of UNIT-II is sufficient to meet the additional demands for atleast next five years, since we are utilizing less than 50% capacity at present in this unit.

As far as UNIT-I is concerned, we manufacture Iron Tablets exclusively in this unit and the company is expecting big hike in the business of Iron tablets for exports. At present, the capacity of Iron Tablets in this unit is 10,800 lakh tablets per annum. This capacity is utilized at almost 80-90% and we will be requiring additional equal capacity to be increased.

At UNIT I building comprises of 10,768 Sq Ft. Currently, we are using 7,768 area of Sq. Ft to run our operations. However, we have 3000 sq. feet area unused where we intend to increase in production capacity. The company proposes to install 62 station tablet machines and another same capacity machine to replace with an existing 35 station machines. Hence forth, we will be having three 62 station machines. We also propose to add, two high speed blister packing machines and one Sachet packing machine (plastic box) for loose tablets. Post this upgradation of the existing plant, the production capacity will be enhanced to 21,600 lakh tablets per annum.

**Details of proposed civil construction is as follows:**

(₹ in Lakhs)

Sr. No.	Particulars	Area/No. of Job	Proposed Cost (Amount in ₹)
1	Civil works, White washing and Paint Job of Building (Unit I)	30,000 Sq. Ft.	40.00
2	Road Work	1 Job	1.85
3	Boundary Work	1 Job	2.17
4.	Underground Tank	1 Job	0.54
	<b>Total</b>		<b>44.56</b>

Note: As Certified by independent Chartered Engineer pursuant to their certificate issued.

**Details of proposed Plant and Machinery to be installed:**

(₹ in Lakhs)

Sr. No.	Purpose/Work	QTY	Amount (Amount in ₹)	Vendor	Quotation Date	Quotation Validity	Delivery
1	AHU	1	119.00	Syntec Airflow System	08.01.2024	90 Days	90-120 Days

2	Gas Chromatography Machine	1	13.10	Toshvin	30.01.2024	60 Days	8-12 Weeks
3	Sachet Packing machine	1	5.13	Roso International	15.12.2023	90 Days	10-12 Days
4	Air Sampler	1	8.75	R V Chemicals	22.01.2024	90 Days	10-15 Days
5	Blister Packing Machine	2	40.31	Elmach	17.01.2024	60 Days	45-60 Days
6	Purified Water Generation System	1	8.85	Jaltech Water Solutions	23.12.2023	90 Days	3-4 Weeks
7	Boiler Upgradation	1	3.20	Microtherm Engineering	26.01.2024	60 Days	1-2 Weeks
8	Additional DG Set	1	5.50	Kirloskar	18.01.2024	10.04.2024	2-3 Weeks
9	Granulation Section Machines	1	54.63	R. P. Engineering Works	19.01.2024	15.04.2024	7-8 Weeks
10	Tablet Compression Machine	1	28.91	Harrison's Pharma Machinery Pvt. Ltd.	20.01.2024	60 Days	45 Days
	<b>Total</b>		<b>287.39</b>				

Note: As Certified by independent Chartered Engineer pursuant to their certificate issued.

### 3. Funding working capital requirements of our Company in the ordinary course of business

We have significant working capital requirements in the ordinary course of business, we fund our working capital requirements from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company. As of March 31, 2024, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 585.55 lakhs. Our Company proposed to utilise ₹ 400 lakhs of the Net Proceeds towards funding the working capital requirements of our Company in the ordinary course of business.

For details of the working capital facilities availed by us, see “**Financial Indebtedness**” on page 162 of this RHP.

#### Basis of estimation of working capital requirement

The details of our company's existing working capital as on March 31, 2024 and the source of funding, derived from the restated financial statements of our Company, as certified by our Statutory Auditor through their certificate dated June 12, 2024, are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated June 12, 2024 has approved the estimated working capital requirements for Fiscals 2025 as set forth below:

(₹ lakhs)					
S. No.	Particulars	As at March 31, 2022 (Actual)	As at March 31, 2023 (Actual)	As at March 31, 2024 (Actual)	As at March 31, 2025 (Projected)
(A)	<b>Current assets</b>				
(a)	Inventories	472.18	613.90	614.26	709.05
(b)	Trade receivables	624.54	1076.82	1670.00	1,421.40
(c)	Cash and Cash Equivalent	43.74	52.82	55.30	66.55
(d)	Short term loans & advances	402.35	343.04	391.66	432.23
	<b>Total current assets (A)</b>	<b>1542.81</b>	<b>2086.58</b>	<b>2731.22</b>	<b>2629.24</b>
(B)	<b>Current liabilities</b>				
(a)	Trade payables	730.91	899.86	707.96	791.88
(b)	Other Current Liabilities & Short-Term Provision	62.87	143.11	226.05	132.38
	<b>Total current liabilities (B)</b>	<b>793.78</b>	<b>1042.97</b>	<b>934.01</b>	<b>924.26</b>
(C)	<b>Total working capital requirements (C = A – B)</b>	<b>749.03</b>	<b>1043.61</b>	<b>1,797.21</b>	<b>1,704.99</b>
(D)	<b>Funding pattern</b>				

S. No.	Particulars	As at March 31, 2022 (Actual)	As at March 31, 2023 (Actual)	As at March 31, 2024 (Actual)	As at March 31, 2025 (Projected)
(a)	IPO proceeds	-	-	-	400.00
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	507.12	552.36	560.03	388.21
(c)	Net Worth/ Internal Accruals	241.91	491.25	1,237.18	916.77

Note: As Certified by the M/s. N C Raj & Associates, Chartered Accountants pursuant to their certificate dated June 12, 2024

#### Assumptions for our estimated working capital requirements

Particulars	Holding Level for year/period ended			
	As at March 31, 2022 (Actual)	As at March 31, 2023 (Actual)	As at March 31, 2024 (Actual)	As at March 31, 2025 (Projected)
Inventories	101	148	173	105
Trade Receivables	60	140	198	149
Trade Payables	137	161	172	93

#### Key assumptions for working capital requirements

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories	<p>In 2021, the inventory holding days were 81, followed by increases to 101 in 2022, 148 in 2023, and a significant spike to 173 days in March 2024. This increase suggests that inventory was held for longer periods, potentially leading to higher holding costs and tying up working capital. The company's normal cycle for inventory holding involves several steps after receiving an order. This includes procuring the necessary raw materials (RM), testing them (anticipated to take around 30 days), and finalizing the design for packaging materials (expected to take around 30 days). Once design details are confirmed, manufacturing begins, focusing initially on fulfilling earlier orders before producing the current one.</p> <p>The manufacturing process is projected to take around 30 days to ensure high quality production. The decrease in inventory holding days to 105 in 2025, suggests improvements in inventory management efficiency. This could be due to streamlining processes, optimizing supply chain logistics, or reducing lead times, enabling the company to minimize holding costs and free up working capital for other purposes.</p>
2	Trade Receivables	<p>The trade receivable days, representing the average time a company takes to collect payment from its customers, provide crucial insights into the efficiency of its accounts receivable management. In the provided scenario, the trend of trade receivable days demonstrates fluctuations over the fiscal years, indicating changes in the company's collection efficiency.</p> <p>From 48 days in 2021, there was a gradual increase to 60 days in 2022 and further to 140 days in 2023, suggesting a lengthening collection period. However, a significant spike to 198 days in Fiscal 2024 raises concerns about potential challenges in receivables management, possibly impacting cash flow and liquidity. Nevertheless, projections 2025 forecast a decrease in trade receivable days to 149, respectively, reflecting anticipated improvements in collection efficiency attributed to the expansion in the pharmaceutical business. It's worth noting the standard debtor credit term of approximately 90 days, with occasional variations such as 75 days in specific</p>

S. No.	Particulars	Assumptions
		cases. However, government tenders extend this credit period significantly, sometimes up to 1.5 years, due to unique payment processes associated with such contracts. This extended timeframe underscores the importance of understanding industry-specific dynamics and managing cash flow effectively amidst diverse customer credit terms.
<b>Current Liabilities</b>		
1	Trade Payables	<p>The trade payable days, also known as days payable outstanding (DPO), represent the average duration a company takes to settle its accounts payable with suppliers. In the context provided, the trade payable days varied across fiscal years, indicating fluctuations in the company's payment practices.</p> <p>For instance, in 2021, the trade payable days were 164, suggesting a relatively extended payment cycle. However, there was a decrease to 137 days in 2022, indicating a more expedited payment process. Subsequently, the trade payable days increased to 161 days in 2023 and peaked at 172 days in Fiscal 2024, suggesting potential delays in settling supplier invoices. The company's credit terms, as per the purchase orders, typically range between 90 to 120 days. However, specific durations depend on negotiations with individual suppliers. Despite this variability, the company strategically opted to maintain payment cycles of around 93 days approx in Fiscal 2025.</p> <p>This strategic decision reflects an intent to leverage supplier discounts by paying suppliers earlier than the industry average. By doing so, the company can negotiate favorable terms and discounts, ultimately reducing procurement costs and enhancing profitability. Effectively managing trade payable days is essential for optimizing cash flow, maintaining healthy supplier relationships, and maximizing cost saving opportunities through negotiated discounts and favorable payment terms.</p>

#### **Rationale for the fluctuation in working capital requirements of the company for the past three financial years and stub period**

Over the course of fiscal years 2022 through 2024, alongside the stub period, the company's working capital requirement has demonstrated a consistent upward trajectory. This upward trend reflects an evolution in the company's operational dynamics and strategic endeavours. Notably, the increase in working capital can be attributed to several key factors that have shaped the company's growth trajectory.

Firstly, the company has experienced a notable expansion in its sales volume, driven by strategic initiatives such as the diversification into new product lines and the expansion of its market presence through entering the new markets. These efforts have effectively broadened the company's customer base and market reach, resulting in heightened demand for its products and services.

Secondly, the company's commitment to offering favourable credit terms to its customers has played a significant role in driving sales growth and fostering customer loyalty. By extending credit periods to customers, the company has facilitated increased purchasing power and flexibility, thereby incentivized repeat business and enhanced customer satisfaction.

Furthermore, the strategic alignment of these factors—increased sales volume and favourable credit terms—has synergistically contributed to the gradual escalation in the company's working capital requirements. As sales continue to expand and customer relationships strengthen, the need for adequate working capital to support operational activities, inventory management, and accounts receivable becomes increasingly imperative.

In essence, the observed increase in working capital over the past three fiscal years and the stub period underscores the company's proactive efforts to capitalize on growth opportunities, adapt to evolving market dynamics, and sustain its competitive edge in the industry. Through strategic investments in sales expansion and customer-centric initiatives, the company remains well-positioned to navigate future challenges and capitalize on emerging opportunities in the marketplace.

### **Justification and basis for the working capital projections of the estimated period**

Building upon the strategies employed in the preceding three years, the company remains committed to enhancing its revenue trajectory in fiscal year 2025. Central to this objective is the planned introduction of novel medications and diversifying its product line, it aims to leverage innovation, meeting unmet medical demands, and fostering revenue growth. Moreover, strategic expansion into new geographical territories and therapeutic domains promises heightened sales and turnover. Through proactive market penetration and responsive adaptation to emerging healthcare needs, the company anticipates not only sustaining its competitive edge but also fostering dynamic growth trajectories in the pharmaceutical landscape.

Anticipated outcomes of this expansion strategy include heightened operational expenses, encompassing various aspects such as raw material procurement, logistics, ordering processes, inventory management, and other associated costs. As the company seeks to scale its operations and accommodate the growing demands of an expanded network, a commensurate increase in working capital is deemed essential.

To effectively address the augmented financial requirements stemming from the planned expansion, the company must ensure sufficient liquidity and operational flexibility. By bolstering its working capital reserves, the company can navigate the inherent challenges of rapid growth, sustain operational efficiency, and seize opportunities for continued market penetration and revenue generation. Thus, prudent financial planning and resource allocation will be pivotal in facilitating the successful execution of the company's expansion objectives and ensuring its long-term sustainability and competitiveness in the marketplace.

### **Estimated turnover of the Company for F.Y. 2024 and F.Y. 2025 along with the basis for the same:**

The company foresees a promising trajectory in its turnover, with projections indicating ₹3,101 lakhs for Fiscal Year 2024 and an anticipated surge to ₹3,721 lakhs in Fiscal Year 2025. In fiscal 2025, the company is strategically positioned to strengthen its market position. By introducing novel medications and diversifying its product line, it aims to leverage innovation, meeting unmet medical demands, and fostering revenue growth. Moreover, strategic expansion into new geographical territories and therapeutic domains promises heightened sales and turnover. Through proactive market penetration and responsive adaptation to emerging healthcare needs, the company anticipates not only sustaining its competitive edge but also fostering dynamic growth trajectories in the pharmaceutical landscape. This expansion plan is underpinned by the company's impressive track record, boasting an average revenue growth rate of 33% over the past three fiscal years and stub period. Such consistent growth serves as a solid foundation for estimating revenue projections for the upcoming fiscal years, reflecting the company's commitment to sustaining and accelerating its financial success. With a clear strategic vision and a robust growth trajectory, the company is positioned to capitalize on emerging opportunities and drive continued prosperity in the market.

## **4. General Corporate Purposes**

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- a) strategic initiatives, partnerships, joint ventures and acquisitions;
- b) funding growth opportunities;
- c) brand building and strengthening of marketing activities; and
- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “**General Corporate Purposes**” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.



## ISSUE RELATED EXPENSES

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

(₹ in Lakhs)

S. No.	Particulars	Amount	% of total expenses	% of total issue size
1	Issue Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Counsel, Registrars and other out of pocket expenses	[●]	[●]	[●]
2	Advertising and Marketing Expenses	[●]	[●]	[●]
3	Fees payable to the stock exchange(s)	[●]	[●]	[●]
4	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5	Brokerage and Selling Commission (1)(2)(3)	[●]	[●]	[●]
6	Other Expenses (Banker's to the Issue, Auditor's Fees etc.)			
<b>Total Estimated Issue Expense</b>		[●]	[●]	[●]

- (1) ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
- (2) Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) – Rs 10/- per application on wherein shares are allotted.
- (3) Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted.
- (4) Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 10/- per application on wherein shares are allotted.
- (5) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- (6) The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
- (7) Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### Funds Deployed and Source of Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in Lakhs)
Issue Expenses	[●]
Total	[●]

### Sources of Financing for the Funds Deployed

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the sources of financing for the funds deployed for the proposed object of the Issue:

Particulars	Amount (₹ in Lakhs)
Internal Accruals	[●]
Total	[●]

### Interim Use of Funds

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

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

#### **Bridge Financing Facilities**

As on the date of this Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

#### **Monitoring of Utilisation of Funds**

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

#### **Variation in Objects of the Issue**

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

#### **Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

#### **Shortfall of Funds**

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

#### **Other confirmations**

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

*(The remainder of this page is intentionally left blank)*

## **BASIS FOR ISSUE PRICE**

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10/- and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Financial Statements*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Other Financial Information*” on pages 101, 27, 160, 165 and 161, respectively, to have an informed view before making an investment decision.

### **Qualitative Factors**

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

1. Experienced Promoters and Management Team;
2. Long standing relationships with customers;
3. Efficient operational team;
4. Consistent financial performance;

For further details, see “*Our Business –Our Competitive Strengths*” on page 104 of this RHP.

### **Quantitative Factors**

The information presented in this section for the restated audited financial statements of the Company for the financial year ended March 31, 2024, 2023 and 2022 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “*Restated Financial Information*” beginning on Page No. 160 of this Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### **1. Basic and Diluted Earnings per share (“EPS”)**

<b>Year ended</b>	<b>Basic and Diluted EPS (in ₹) #</b>	<b>Weight</b>
March 31, 2024	3.18	3
March 31, 2023	1.62	2
March 31, 2022	0.17	1
<b>Weighted Average</b>	2.15	

*\*Not Annualised*

#### **Notes:**

- (1) *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*
- (2) *Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above*
- (3) *Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above*
- (4) *Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-.*
- (5) *The figures disclosed above are based on the Restated Financial Statements.*

#### **2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share of Face Value of Rs. 10/- each fully paid up:**

<b>Particulars</b>	<b>P/E Ratio at the Floor Price</b>	<b>P/E Ratio at the Cap Price</b>
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2022	[●]	[●]
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2023	[●]	[●]

P/E ratio based on the Basic and Diluted EPS, as at March 31, 2024		
P/E ratio based on the Weighted Average EPS, as restated	[●]	[●]

\*The details shall be provided post the fixing of the price band by our company at the stage of filing of the price band advertisement.

Notes:

- i. The P/E Ratio of our company has been computed by dividing Issue Price with EPS.

#### Industry PE ratio

Particulars	P/E Ratio*
Highest	3542.75
Lowest	4.72
Industry Composite	33.60

\* Closing market price of the peers considered as January 05, 2024 on BSE.

### 3. Return on Net worth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2024	15.83	3
March 31, 2023	10.79	2
March 31, 2022	1.27	1
<b>Weighted Average (of the above three financial years)</b>	<b>11.72</b>	

\*Not Annualised

Notes:

- (1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.  
(2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.  
(3) 'Net worth': Equity Share capital and other equity less capital reserves

### 4. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)
As on March 31, 2024	17.66
As on March 31, 2023	14.97
<b>After the Completion of the Issue:</b>	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price <sup>(2)</sup>	[●]

Notes:

- (1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.  
(2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

### 5. Comparison of accounting ratios with listed industry peers

Name of the Company	Face Value (₹)	Current Market Price*	EPS (₹)		P/E Ratio*	RoNW (%)	Net Asset Value Per Share	Total Income (₹ in Lakhs)
			Basic	Diluted				
Medicamen Organics Limited (Our company)	10.00	[●]	3.18	3.18	[●]	15.83	17.66	2528.96
<b>Peer Group</b>								
Brooks	10.00	133.25	(12.57)	(12.57)	10.60	-28.26	30.10	6,340.80

Laboratories Ltd								
Cian Healthcare Ltd	10.00	23.15	0.43	0.43	53.84	1.75	22.40	6,809.94
Zenotech Laboratories Ltd	10.00	73.64	1.90	1.90	38.76	14.08	14.20	4350.80

\*Pursuant to the certificate dated June 12, 2024, issued by M/s. N C Raj & Associates, Chartered Accountants.

\* Closing market price of the peers considered as on February 19, 2024 on BSE.

Notes:

- The EPS, NAV, RoNW and Total Income of our company are taken as per Restated Financial Statement for the Financial year ended March 31, 2024.
- NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2024.
- RoNW has been computed as net profit after tax divided by closing net worth.
- Net worth has been computed in the manner as specified in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- The face value of Equity Shares of our company is ₹ 10/- per Equity Share and the Issue Price is [●] times the face value of equity share.

For further details please refer section titled '**Risk Factors**' beginning on page 27 of this RHP and the financials of the Company including profitability and return ratios, as set out in the section titled '**Financial Information**' beginning on page 160 of this Red Herring Prospectus for a more informed view.

## 6. Key Financial and Operational Performance Indicators ("KPIs")

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 02, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the KPIs herein have been certified by M/s. N C Raj & Associates, Chartered Accountants, by their restated financials dated May 20, 2024 vide UDIN 24088636BKARI05579. 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 Red Herring Prospectus.

For the details of our key performance indicators, see sections titled "**Risk Factors**" "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators**" on pages 27, 101, 165 respectively of this RHP. We have described and defined them, where applicable, in "**Definitions and Abbreviations**" section on page 6 of this RHP. 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 utilisation of the proceeds of the Fresh Issue as per the disclosure made in the **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 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

(Amount in Lakhs, except EPS, % and ratios)

Particulars	For the year ended March 31		
	2024	2023	2022
Revenue from Operations (₹ in Lakhs)	2,527.17	2,214.71	2,097.52
Other Income (₹ in Lakhs)	1.79	81.53	21.15
Total Income (₹ in Lakhs)	2528.96	2,296.24	2,118.67
EBITDA (₹ in Lakhs)	475.56	268.37	140.85
EBITDA Margin (%) *	18.81%	12.12%	6.71%
Profit After Tax (₹ in Lakhs)	240.41	96.93	10.14
PAT Margin (%) *	9.51%	4.38%	0.44%
ROE (%)	19.90%	11.41%	1.27%

ROCE (%)	14.50%	9.71%	3.99%
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Notes:

- (1) EDITDA is calculated as restated profit for the period/ year plus tax expense plus depreciation and amortization plus finance costs plus exceptional items.
- (2) EBITDA Margin is calculated as EBITDA divided by revenue from operations.
- (3) Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations.
- (4) RoAE is calculated as Net profit after tax divided by Average Equity.
- (5) RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed.

KPI	Explanation
<b>Revenue from operations:</b>	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
<b>EBITDA:</b>	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
<b>EBITDA margin:</b>	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortization, and taxes.
<b>Restated profit for the period / year:</b>	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
<b>Restated profit for the period / year margin:</b>	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
<b>Return on Average Equity (“RoAE”):</b>	RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
<b>Return on Capital Employed (“RoCE”):</b>	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company’s efficiency as it measures our Company’s profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

*Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.*

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Consolidated Financial Information. Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

## 7. Weighted Average Cost of Acquisition (WACA), Floor Price and Cap Price.

**(a) Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)**

The Company has not issued any Equity Shares or convertible securities, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of allotment	No. of Equity Shares allotted	Face Value	Issue Price	Nature of allotment	Nature of Consideration	Total of Consideration (₹ in Lakhs)
17/07/2023	20,00,000	10.00	10.00	Preferential Allotment	Conversion of Loan to Equity	200.00
02/01/2024	6,00,000	10.00	30.00	Preferential Allotment	Cash	180.00

**(b) Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) or Promoters or members of the Promoter Group or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

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 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 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.

Since there are no such transaction to report to under (a) and (b), the following are the details based on the last five primary or secondary transactions (secondary transactions where the Promoters or members of the Promoter Group or shareholders having a right to nominate directors to the Board are a party to the transaction, excluding gifts), not older than three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions.

**(c) Weighted average cost of acquisition (WACA), floor price and cap price for the last 3 years preceding the RHP:**

Primary transactions						
Date of allotment	Nature of transaction	No. of Equity Shares	Cost per Equity Share	Total Cost in Lakhs	Cumulative amount paid for the Equity Shares	Cumulative No. of Equity Shares
July 17, 2023	Preferential Issue (By way of conversion of Loan)	20,00,000	10	200.00	10	20,00,000
January 02, 2024	Preferential Issue	6,00,000	30.00	180.00	10	26,00,000
<b>Total</b>					-	26,00,000
<b>Weighted average cost of acquisition (primary transactions) (₹ per Equity Share)</b>					14.61	

Secondary transactions
------------------------



Date of allotment	Nature of transaction	No. of shares acquired	Cost of acquisition per share	Total cost in lakh	Cumulative amount paid for the equity shares (face value)	Cumulative No. of Equity Shares
08.12.2023	Transfer from Ashutosh Gupta to Gaurav Kumar	100	30	0.03	10	100
11.12.2023	Transfer from Suchita Gupta to Ishan Gupta under Gaurdianship of Ashutosh Gupta by way of Gift	300	0	0	0	400
20.12.2023	Transfer from Bal Kishan Gupta to Surinder Kumar Goel	100000	30	30	10	100400
20.12.2023	Transfer from Bal Kishan Gupta to Apoorv Yadav	4000	30	1.2	10	104400
20.12.2023	Transfer from Bal Kishan Gupta to Suman Yadav	4000	30	1.2	10	108400
20.12.2023	Transfer from Bal Kishan Gupta to Aekansh Yadav	4000	30	1.2	10	112400
20.12.2023	Transfer from Bal Kishan Gupta to Anil Kumar yadav	8000	30	2.4	10	120400
21.12.2023	Transfer from Bal Kishan Gupta to Chhavi Gupta	16000	30	4.8	10	136400
21.12.2023	Transfer from Bal Kishan Gupta to Shruti Goel	12000	30	3.6	10	148400
29.12.2023	Transfer from Bal Kishan Gupta to Deepak Gupta	4000	30	1.2	10	152400
29.12.2023	Transfer from Ashutosh Gupta to TanishkaGoel	4000	30	1.2	10	156400
30.12.2023	Transfer from Ashutosh Gupta LivealthBiocare Private Limited	100000	30	30	10	256400
03.01.2024	Transfer from Ashutosh Gupta Nitin Kara	16000	30	4.8	10	272400
03.01.2024	Transfer from Bal Kishan Gupta NavneetLuthra	20000	30	6	10	292400
03.01.2024	Transfer from Bal Kishan Gupta Megha Gupta	16000	30	4.8	10	308400
03.01.2024	Transfer from Bal Kishan Gupta J K Gupta	28000	30	8.4	10	336400
03.01.2024	Transfer from Bal Kishan Gupta Rita Ahuja	16000	30	4.8	10	352400

04.01.2024	Transfer from Bal Kishan Gupta Ashish Mehra	56000	30	16.8	10	408400
04.01.2024	Transfer from Ashutosh Gupta Sachin Mehra	4000	30	1.2	10	412400
04.01.2024	Transfer from Ashutosh Gupta Kalyani Sarkar	4000	30	1.2	10	416400
08.02.2024	Transfer from Sanjay Kumar Singhal to Shitu Gupta	15000	30	4.5	10	431400
08.02.2024	Transfer from Sanjay Kumar Singhal to Prabodh Gupta HUF	60000	30	18	10	491400
08.02.2024	Transfer from Sanjay Kumar Singhal to Pawan Kumar Garg HUF	110000	30	33	10	601400
08.02.2024	Transfer from Pawan Kumar Gupta to Saurabh Gupta	40000	30	12	10	641400
08.02.2024	Transfer from Pawan Kumar Gupta to Jinendra Kumar jain	100000	30	30	10	741400
14.02.2024	Transfer from Shitu Gupta to IZUZ Consultancy Private Limited	15000	30	4.5	10	756400
14.02.2024	Transfer from Shitu Gupta to Anil Kumar Gadodia	10000	30	3	10	766400
20.02.2024	Transfer from Pawan Kumar Garg to Indu Bansal	20000	30	6	10	786400
Total	Total	786400	30	<b>235.83</b>		
<b>Weighted average cost of acquisition (secondary transactions) (₹ per Equity Share)</b>				<b>29.99</b>		

*d) Weighted average cost of acquisition, floor price and cap price:*

Type of transaction	Weighted average cost of acquisition (₹ per equity share)	Floor Price	Cap Price
I. Weighted average cost of acquisition for last 18 months for primary/new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Daft 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 rolling 30 days	NA**		
II. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities, where promoter/promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than five percent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested),in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA**		
II. Since there are no such transactions to report to under (I) and (II) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction, is as below			
WACA of primary / new issue acquisition	14.61	[●]	[●]
WACA of secondary acquisition	29.99	-	-

**8. Explanation for Offer Price / Cap Price being [●] times and [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer.**

[●]

*(To be updated on finalization of Price.)*

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the demand from investors for the Equity Shares through the Book Building Method. Investors should read the abovementioned information along with “**Risk Factors**”, “**Our Business**” and “**Restated Financial Information**” beginning on pages 27, 101 and 160, respectively, to have a more informed view.

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS**

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## N C RAJ & ASSOCIATES

Chartered Accountants  
10, Community Centre No.2,  
Ashok Vihar Phase-II,  
Delhi – 110 052  
**Phone:** +911145670059  
**Website:** www.ncraj.com  
**Email:** info@ncraj.com  
**Peer Review No.:** 014034

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
The Board of Directors  
Medicamen Organics Limited  
10 Community Centre No 2  
Ashok Vihar Phase II,  
New Delhi,  
New Delhi - 110052

Dear Sirs,

**Sub: Statement of possible special tax benefits available to Medicamen organics Limited ("the Company") and its shareholders under direct and indirect tax laws**

We refer to the proposed initial public offering of equity shares (the "Offer") of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including 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"), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the "Taxation Laws") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-2025 relevant to the financial year 2023-24 for inclusion in the Draft Red-Herring Prospectus/ Red-herring Prospectus/ Prospectus ("Offer Document") for the proposed offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.



## N C RAJ & ASSOCIATES

Chartered Accountants

Peer Review No.: 014034

(Forming Of Certificate Of Medicamen Organics Limited UDIN 24088636BKARJC6427)

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the offer document for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

### LIMITATIONS

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India 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. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

*This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).*

For N C RAJ & ASSOCIATES

Chartered Accountants

(FRN: 007249N)

SANJAY GARG  
DELHI  
Y GARG  
Chartered Accountant

SANJAY GARG

Partner

Mem. No. 088636

Date: 12-06-2024

Place: New Delhi

UDIN: 24088636BKARJC6427

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

### **Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2023 i.e., applicable for Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax 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. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year 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 has represented to us that it has not opted for section 115BAA for the assessment year 2023-24 and 2024-25.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

### **Indirect Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company under GST law.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.



## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

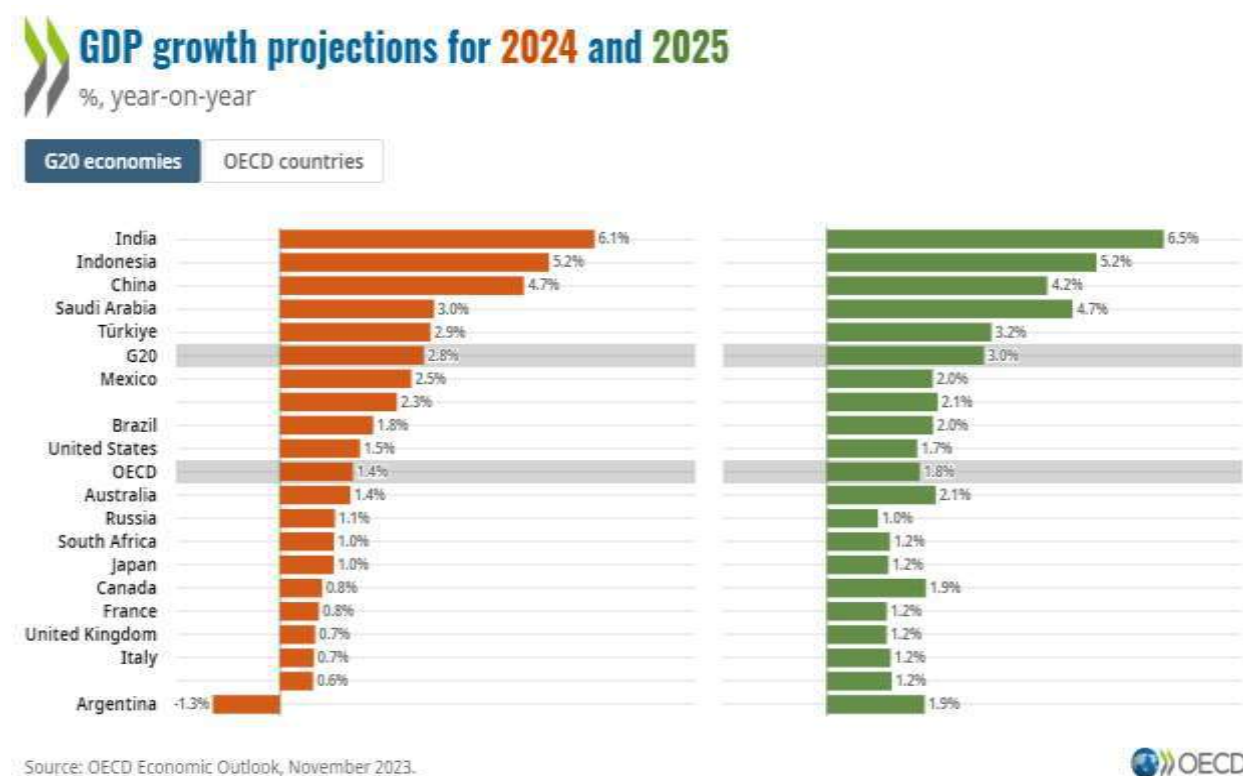
We are engaged in the pharmaceutical business, institutional (both state and central governments) in domestic as well as international markets. We are also engaged in distribution of pharmaceutical products through third party distribution network. We offer wide range of pharmaceutical formulations and products manufactured by us at our 2 manufacturing facilities located at Haridwar and through contract manufacturing from other manufacturers.

We are engaged in the business of manufacturing of pharmaceutical dosage form such as Tablets, Capsules, Oral Liquids, and Ointments. Our business falls under the scope of Pharmaceutical Industry.

#### Global Economy

The global economy continues to confront the challenges of inflation and low growth prospects. GDP growth has been stronger than expected so far in 2023 but is now moderating on the back of tighter financial conditions, weak trade growth, and lower business and consumer confidence. Risks to the near-term outlook remain tilted to the downside and include heightened geopolitical tensions, for example, due to the evolving conflict following Hamas' terrorist attacks on Israel; and a larger-than-expected impact of monetary policy tightening. On the upside, growth could also be stronger if households spend more of the excess savings accumulated during the pandemic.

Global growth is projected to be 2.7% in 2024. As inflation abates further and real incomes strengthen, the world economy is projected to grow by 3% in 2025. Global growth remains highly dependent on fast-growing Asian economies.



In the absence of further large shocks to food and energy prices, projected headline inflation is expected to return to levels consistent with central bank targets in most major economies by the end of 2025. Annual OECD headline inflation is expected to fall gradually to 5.2% and 3.8% in 2024 and 2025 respectively, from 7.0% in 2023.

Public debt to GDP ratios today stands at high levels in a historical perspective and governments face mounting fiscal pressures, stemming from multiple sources, including aging societies and the need to tackle climate change. Stylized mechanical projections show that in the absence of government action, the level of public debt to GDP is set to continue to increase to high levels.

Global trade growth has been surprisingly weak over the past year. This is worrying given the importance of trade for productivity and development. Merchandise trade volumes fell by 1.5% in the first half of the year, whilst services trade volumes are estimated to have risen by 6.4%, as the ongoing normalization of travel in Asia helped to boost tourism. Weak trade is not an entirely new development. Since the recovery from the pandemic, trade has fallen relative to GDP, particularly merchandise trade.

Src: <https://www.oecd.org/economic-outlook/november-2023/>

### **Indian Economy**

Despite uncertainty from adverse geopolitical developments and expansionary fiscal measures taken during the COVID-19 pandemic, the Indian economy has demonstrated resilience and maintained healthy macroeconomic fundamentals. As per the First Advance Estimates of National Income of FY 2023-24, India's Real GDP is projected to grow at 7.3 per cent. This was stated in the Macro-Economic Framework Statement 2024-25.

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 H1 of FY2023-24. On the supply side, industry and services sectors were the primary growth drivers in H1 of FY2023-24. India has registered the highest growth among major advanced and emerging market economies during this period. As per the IMF, India is likely to become the third-largest economy in 2027 in USD at market exchange rate. It also estimates that India's contribution to global growth will rise by 200 basis points in 5 years.

Macroeconomic stability and improvements in India's external position, particularly significant moderation in the current account deficit and revival of capital flows on the back of a comfortable foreign exchange reserves buffer, resulted in stability in the Indian rupee during FY 2023-24. Further, inflationary pressures in India moderated majorly driven by proactive supply side initiatives by the Government, noted the Macro-Economic Framework Statement 2024-25.

(Src: <https://pib.gov.in/PressReleasePage.aspx?PRID=2001124>)

In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalization of the tariff structure, and the digitization of tax filing.

In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand throughout April-December 2022. The sector's success is being captured by several 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.

Src: <https://www.ibef.org/economy/economic-survey-2022-23>, <https://www.ibef.org/economy/indian-economy-overview>

### **Indian Pharmaceutical Industry: Overview**

According to a recent EY FICCI report, there has been growing consensus over providing new innovative therapies to patients, Indian pharmaceutical market is estimated to touch US\$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products is estimated to cross over the US\$ 1 trillion mark in 2024.

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 into a thriving industry growing at a CAGR of 9.43% in the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that makeup around 8% of the worldwide API market.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US, and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also has a

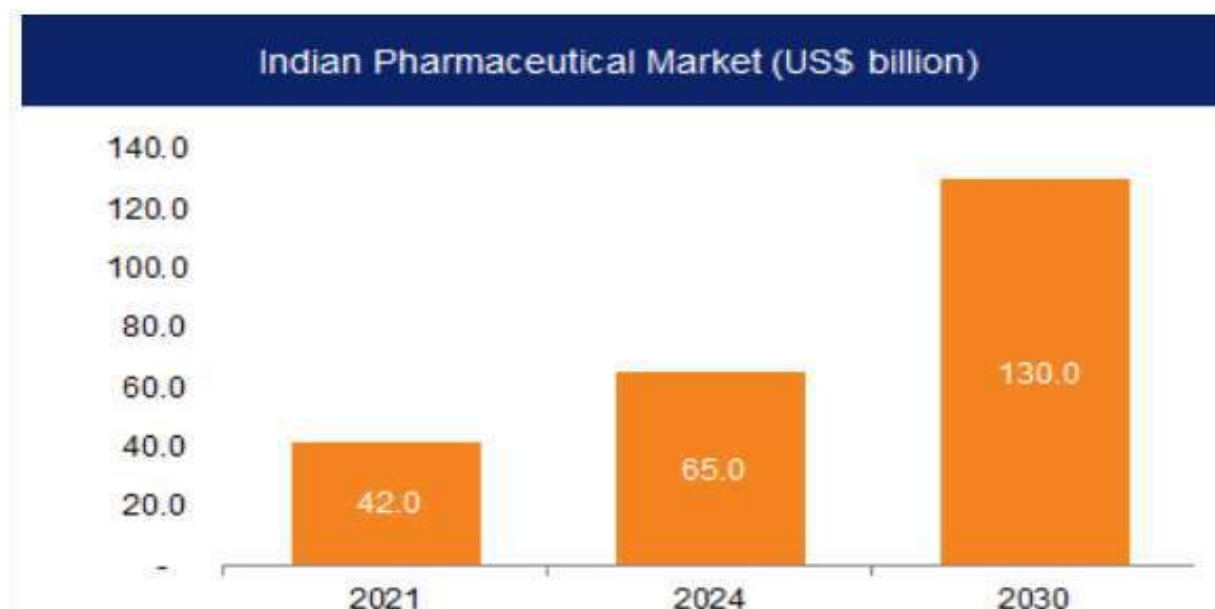
large pool of scientists and engineers with the potential to steer industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms. India is rightfully known as the "pharmacy 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.

### **Indian Pharmaceutical Market Size**

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

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 domestic pharmaceutical industry would likely reach US\$ 57 billion by FY25 and see an increase in operating margins of 100-150 basis points (bps). 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 biosimilar market in India is estimated to grow at a compounded annual growth rate (CAGR) of 22% to become US\$ 12 billion by 2025. This would represent almost 20% of the total pharmaceutical market in India. India is the 3rd largest producer of API accounting for an 8% share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to the prequalified list of the WHO. India is the 3rd largest producer of API accounting for an 8% share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to the prequalified list of the WHO.

Indian pharma companies have a substantial share in the prescription market in the US and EU. The largest number of FDA-approved plants outside the US is in India. According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US\$ 42 billion in 2021 and is likely to reach US\$ 65 billion by 2024 and further expand to reach US\$ 120-130 billion by 2030. India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 70.2 billion in 2020 and is expected to reach US\$ 150 billion by 2025. India's medical devices market stood at US\$ 10.36 billion in FY20. The market is expected to increase at a CAGR of 37% from 2020 to 2025 to reach US\$ 50 billion. As of August 2021, CARE Ratings expect India's pharmaceutical business to develop at an annual rate of ~11% over the next two years to reach more than US\$ 60 billion in value.

In the global pharmaceuticals sector, India is a significant and rising player. India is the world's largest supplier of generic medications, accounting for 20% of the worldwide supply by volume and supplying about 60% of the global vaccination demand. The Indian pharmaceutical sector is worth US\$ 42 billion worldwide. In August 2021, the Indian pharmaceutical market increased by 17.7% annually, up from 13.7% in July 2020.

#### ***Pharmaceutical Exports to continue witnessing growth***

Pharmaceuticals is one of the top ten attractive sectors for foreign investment in India. The pharmaceutical exports from India reach more than 200 nations around the world, including highly regulated markets of the USA, West Europe, Japan, and Australia. India supplied around 45 tonnes and 400 million tablets of hydroxychloroquine to around 114 countries globally.

India's drugs and pharmaceutical exports stood at Rs. 2,08,231 crore (US\$ 25.3 billion) for FY23, as per the data by Pharmexcil. India's exports of Drugs and pharmaceuticals stood at US\$ 6.59 billion during April-June 2023. Exports of Drugs and pharmaceuticals were estimated to be at US\$ 2.48 billion in March 2023 and shared 6.47% of the total exports of the month.



\*- Until June 2023.

Building on the outstanding performance in the previous FY21, Indian pharmaceutical exports once again registered a healthy performance in 2021-22. The pharma exports in 2021-22 sustained positive growth despite the global trade disruptions and drop in demand for COVID-related medicines. The Indian vaccine industry developed Covid vaccine with indigenous technology in collaboration with India's research institutions like the Indian Council of Medical Research (ICMR) and the National Institute of Virology (NIV) within the shortest time on par with highly developed countries like America and EU. India provided 115 million doses of vaccines to more than 97 countries. India's pharmaceutical exports have increased by 138% in April-October 2022 compared to the same period of 2013-14.

#### ***R&D spending in Indian pharmaceuticals***



The biotechnology and pharmaceutical sectors have showcased resilience and grit in the face of the pandemic, continuously evolving and innovating for better outcomes. The industry has witnessed innovation in the fields of new vaccine technology and treatment methods as well as in the R&D that goes behind making these vaccines and treatments. Utilizing modern technologies to manufacture pharmaceuticals, improve scientific procedures, and identify novel treatment approaches is fast catching on.

India is making an effort to build a policy framework that incorporates intellectual property and technology commercialization, government procurement, scientific research, education, and skill development, as well as ease of doing business, regulatory legislation, and tax and financial incentives, these regulatory adjustments will open the door for further private sector investments in pharmaceutical R&D. The Union Budget 2023 aims to provide stimulus towards innovation with the announcement of the promotion of research and innovation programme in pharmaceuticals through Centres of Excellence.

For innovation in the pharmaceutical sector, through centers of excellence, a new initiative to encourage pharmaceutical research and innovation will be implemented. The government persuades businesses to spend money on R&D in a few chosen priority fields. At the grassroots level, the government has also announced the building of 157 nursing colleges in co-locations with government medical colleges. The government would also facilitate selecting ICMR labs with facilities like research by both public and private medical college faculty alongside private sector R&D teams.

### ***Trends in the Indian Pharmaceuticals Sector***

Up to 100%, FDI has been allowed through automatic routes for Greenfield pharmaceuticals projects. For Brownfield Pharmaceuticals projects, FDI allowed is up to 74% through automatic route and beyond that through government approval. The FDI inflows in the Indian drugs and pharmaceuticals sector reached US\$ 21.46 billion between April 2000 and March 2023. This constitutes almost 3.38% of the total FDI inflow received across sectors.

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) became 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 most Indian patients with iron deficiency and iron deficiency anemia.

Japanese companies have been invited to invest in the Indian Pharmaceutical and Medical Device Industry. The cooperation between the Pharmaceutical Traders Association and the Japan Federation of Medical Devices Associations of the two countries can contribute to stabilizing 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. This late-stage clinical biopharmaceutical company 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 focused on improving eye comfort and enhancing the aesthetics of the eyes. BDR Pharmaceutical launched the first generic apalutamide (brand name Apatide) in India to treat both metastatic castration-sensitive prostate cancer as well as non-metastatic castration-resistant prostate cancer. The product will be available across India. Anglo French Drugs & Industries Limited (AFDIL), a 99-year-old organization in the pharmaceutical sector, announced that it has entered into the fertility space with the launch of the LYBER range. Eli Lilly introduced Ramiven in India, for certain high-risk early breast cancer patients in November 2022. ICPA Health Products Ltd (ICPA), a leading pharma company in the oral healthcare segment, launched its latest product – Heximetro at the annual conference of the Indian Society of Periodontology (ISP) in November 2022.

The FDI inflows in the Indian drugs and pharmaceuticals sector reached US\$ 19.90 billion between April 2000-June 2022. The Indian drugs and pharmaceuticals sector received cumulative FDIs worth US\$ 19.41 billion between April 2000-March 2022. The foreign direct investment (FDI) inflows in the Indian drugs and pharmaceuticals sector reached US\$ 1,414 million between in FY 2021-22. The Indian pharmaceutical industry generated a trade surplus of US\$ 15.81 billion in FY22.

### ***Road Ahead for Indian Pharmaceutical Sector***

The pharmaceutical industry in India is a significant part of the nation's foreign trade and offers lucrative potential for investors. Millions of people around the world receive affordable and inexpensive generic medications from India, which also runs a sizable number of plants that adhere to Good Manufacturing Practices (GMP) standards set by the World Health Organization (WHO) and the United States Food and Drug Administration (USFDA).

Among nations that produce pharmaceuticals, India has long held the top spot. Medicine spending in India is projected to grow 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as 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.

(Src: <https://www.ibef.org/industry/pharmaceutical-india> )

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## **OUR BUSINESS**

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “**Forward Looking Statements**” on page 20 for a discussion of the risks and uncertainties related to those statements and the section entitled “**Risk Factors**” on page 27 for a discussion of certain risks 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.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “**Restated Financial Statements**” included in this Red Herring Prospectus on page 160. Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as other industry publications and sources. For details, please refer to the section titled “**Industry Overview**” on page 95.*

### **OVERVIEW**

We are engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage including generic dosage in form of Tablets, Capsules, Oral Liquids, Ointments, Gel, Syrups, Suspension and Dry powders for government (including both state and central governments) and private institutions as contract manufacturer / third party manufacturer. We market our product to private pharma companies in domestic as well as international markets through third party distributors or on loan license basis. Further, our Company is also strategically focusing on establishing a direct presence in international market for an instance in fiscal 2023 and 2024, we have directly exported our product in Burundi. We have a track record of operating B2B model which covers contract manufacturing model. Our products are marketed across India as well as African, CIS and south East Asian Countries like Congo, Benin, Camer, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan and Kenya by our third-party distributor.

We have 2 WHO GMP approved manufacturing facilities located at 60 and 61, Sector 6A, I.I.E. SIDCUL, Ranipur, Haridwar-249403, Uttarakhand spread across 21,536 Sq. Ft. Our manufacturing facilities are capable of producing pharmaceutical formulations and products and has fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards. We are ISO 9001:2015 certified company. Our core strength lies in product development and documentation, we are regularly engaged in research and development and launching new products. This gives us an exhaustive product list as well as fair pricing in the market. Our product portfolio consists of 84 products and comprises of wide range of drugs like, Anti-Bacterial, Anti-Diarrheal, Anti-Fungal, Anti-Malarial, Anti-Diabetic, Proton Pump Inhibitor, Anti-Histamine, Anti-Hypertensive drugs, Anti-Lipidemic Drug, Anti-Parasitic, Multivitamin, Multimineral and Non-steroidal anti-inflammatory drug (NSAIDS).

Our Company is consistent in supplying of quality products round the year. Our products comply with requisite safety standards. We are a quality conscious company. We are constantly striving to expand our line of products and we are always looking for complementary products that will add to our range of products.

We have a professional and experienced management team. Our promoters and directors have a combined experience of nearly three decades in the pharmaceutical industry. We prioritize the implementation of total quality management techniques. Our operations are closely monitored through various quality control equipment and by qualified personnel. Our Promoter Mr. Bal Kishan Gupta has been the pillar of our Company's growth and has built a strong value system for our Company, with his enriching experience and progressive thinking, we aim to continue to grow in the pharmaceutical industry.

#### **Business Model:**

##### **Contract Manufacturing:**

Our primary business model is B2B contract manufacturing models where we partner with pharmaceutical companies who are third-party providers who market and sell the products to various companies engaged in ethical marketing as well as generics in International Market and Domestic Markets and has strong and independent sales and distribution networks for the marketing of our products. As of March 31, 2024, we along with our partners a total of 84 products registration under the name of the partners. Under this model, we own the development rights and marketing rights are owned by the partner. This model is adopted for our products across key markets including India.

As on March 31, 2024 we have entered into contract manufacturing with 44 domestic partners and 12 merchant exporters.



## Government Contract

We participate in government tenders for supply of our product as per their requirement to government hospitals, government departments, Government PSU, Government armed forces etc. ("Government Contracts"). The advantages of government business include bulk quantity, committed volume, and advantages in purchase price due to high volume. As on March 31, 2024 we have served 11 government institution.

A break up of the revenue earned by our Company during the period ended March 31, 2024 and the preceding three fiscals from government contracts and contract manufacturing including exports have been provide below:

(₹ in lakhs)

S. No.	Customers	Fiscal 2024		Fiscal 2023		Fiscal 2022	
		Revenue earned (₹ in lakhs)	% of total revenue	Revenue earned (₹ in lakhs)	% of total revenue	Revenue earned (₹ in lakhs)	% of total revenue
1.	Government Contract	57.03	2.26	361.13	16.31	71.75	3.42
2.	Contract Manufacturing	2470.14	97.74	1853.59	83.69	2025.77	96.58
<b>Total</b>		<b>2527.17</b>	<b>100.00</b>	<b>2214.71</b>	<b>100.00</b>	<b>2097.52</b>	<b>100.00</b>

## OUR PRODUCT PORTFOLIO:

Our products offerings can be classified in following major categories:

- Capsules:** Various capsule formulation/compositions are being manufactured by us including but not limited to the following:
  - Rabeprazole and Domperidone to treat with Hyperacidity.
  - Tacrolimus Capsule belongs to a class of drugs known as immunosuppressants.
  - Ribavirin capsules is an antiviral medicine that is used in the treatment of chronic hepatitis C virus (HCV) infection. It prevents the multiplication of virus in human cells and clears up the infection.
- Ointment/External Preparation:** We are producing antifungal/anti-bacterial formulations like Miconazole, Nystatin, Clotrimazole, Nadifloxacin, Mometasone in single as well as a composition form like cream and Gel. Topical Diclofenac, Salicylic acid composition are also being manufactured.
- Suspension:** A variety of cough syrups, Multivitamin/Minerals, Calcium supplements, Antacid liquids, Iron supplements, Laxative liquids, Anthelmintic suspensions, anti-pyritic and anti-inflammatory suspensions are our key products.
- Dry Powder Sachet:** We are manufacturing sachets like pre and probiotic in granular form. Diclofenac Potassium and Sodium granules for oral administration.
- Tablet:** (also known as a pill): We are producing various composition of Ferrous and Folic Acid tablets. These tablets are widely used as an iron supplement to treat or prevent low blood levels of iron (such as those caused by anemia or pregnancy). Iron being an important mineral that the body needs to produce red blood cells keeps, an individual in good health. The formulation is developed in a manner to fulfil the deficiency quickly.

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Below are graphical representations for few of the aforesaid products:



#### PRODUCT CATEGORY WISE REVENUE BIFURCATION

The revenue bifurcation of the company for last three years as per restated standalone financial Statement are as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31					
	2024		2023		2022	
	Sales	%	Sales	%	Sales	%
Capsules	28.60	1.13	498.39	87.64	87.64	4.18
Ointment	486.69	19.26	297.60	364.62	364.62	17.38
Suspension	19.82	0.78	14.32	53.05	53.05	2.53
Dry Powder Sachet	120.85	4.78	155.08	33.48	33.48	1.60
Tablet	1596.78	63.19	1106.91	1504.81	1504.81	71.74
Other operating Revenues	274.40	10.86	142.41	53.93	53.93	2.57
<b>Total Sales</b>	<b>2527.16</b>	<b>100.00</b>	<b>2214.71</b>	<b>2097.52</b>	<b>2097.52</b>	<b>100.00</b>

## FINANCIAL SNAPSHOT:

The financial performance of the company for last three years and as per restated financial Statement are as follows:

Particulars	For the year ended March 31		
	2024	2023	2022
Revenue from Operations (₹ in Lakhs)	2,527.17	2,214.71	2,097.52
Other Income (₹ in Lakhs)	1.79	81.53	21.15
Total Income (₹ in Lakhs)	2528.96	2,296.24	2,118.67
EBITDA (₹ in Lakhs)	475.56	268.37	140.85
EBITDA Margin (%) *	18.81%	12.12%	6.71%
Profit After Tax (₹ in Lakhs)	240.41	96.93	10.14
PAT Margin (%) *	9.51%	4.38%	0.44%
ROE (%)	19.90%	11.41%	1.27%
ROCE (%)	14.50%	9.71%	3.99%

## OUR COMPETITIVE STRENGTHS:

### 1. Experienced Promoter and Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoter and Senior management team leads the company with their vision. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoter and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

### 2. Wide range of Products

We deal in Capsules, Tablets, Liquid Ointment, Gel, Syrups, Suspension and Dry powders. Our product portfolio comprises of wide range of drugs like Anti-Bacterial, Anti Diarrheal, Anti-Fungal, Anti-Malarial, Anti Diabetic, Dental Cure, Proton Pump Inhibitor, Anti Protozoal, Anti Histamine, Anti-Hypertensive drugs, Anti Lipidemic Drug, Multivitamin, Multimineral and Non-steroidal anti-inflammatory drug (NSAIDS). Our product portfolio consists of 84 products, as on March 31<sup>st</sup>, 2024. We operate under different brand names across the globe.

Our business is diversified in terms of geographies and therapeutic areas within the pharmaceutical industry. In terms of geographical diversity, we have marked our presence in India and we have registrations for manufacturing products as approved in international markets in countries like Congo, Benin, Cameg, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan, Kenya. Our products across various therapeutic areas in pharmaceuticals industry. Our diversified revenue base enables us to mitigate the risk of income concentration by spreading revenue across multiple sources and opens opportunities to new prospects of growth.

### 3. Scalable Business Model

Our business model is customer centric and order driven, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets and products both domestic and international by exploring customer needs, marketing expertise and by maintaining the consistent quality output. We believe that our business model is scalable.

### 4. Quality assurance

We believe that quality is an ongoing process of building and sustaining relationships. We are approved by WHO GMP since 21/9/2011 for manufacturing facility 1 and 11/7/2018 for manufacturing facility 2. We have obtained ISO 9001:2015 Certification for the Quality Management System from ISC (Global), 11, 7th floor, Bay Square, Business Bay, Dubai, UAE.

## BUSINESS STRATEGY

### 1. Improve global presence

Currently we have presence in Indian as well as international markets. Our product portfolio is primarily focused on offering differentiated products and register formulations based on customer's requirements. As on March 31, 2024, total 42 products are under process of registration in 8 countries. We intend to continue to grow our sales by registering more and new products in these markets. Our growth strategy will vary from country to country depending on their specific regulatory requirements. We may either form important relationships with companies having strong local presence or alternatively appoint local distributors through which we can undertake our own sales and marketing. We also plan to register products of various manufacturers having documentation and approvals for various markets for products which Medicamen organics ltd cant manufacture. This will give us more access in the market and obviously with increase our market share. We also wish to trigger plant audits in various target countries where we are still not present and post approval in those countries we wish to have our local presence there. This will help us improve our profit margins and increase the reputation of the company internationally.

### 2. Maintaining edge over competitors

We intend to continue to enhance scale in existing products and introduce new products across high end and mid segment to capitalize on the opportunity to cater rising acceptance and demand of new products. Our wide product range provides us competitive edge over our competitors. In order to maintain our competitive edge, we will continue to add newer products to our products portfolio.

### 3. Expansion Plan

Keeping in view of increasing demands from domestic, governments / institutional buyers and export markets we envisaged expansion of manufacturing facilities.

At present, we have two buildings (UNIT-I and UNIT-II). Whereas the capacity in UNIT-II is sufficient to meet the additional demands for the next five years at least, since we are utilizing less than 50% capacity at present in this unit for almost all the sections may be 1 or 2% plus minus section wise.

As far as UNIT-I is concerned here, we are having exclusive facility for Iron Tablets and the company is expecting big increase in the business of Iron Tablets for exports. We have already got registrations for this particular item in Philippines and Myanmar and have applied too four more countries and in the coming days are going to apply in another six to seven countries. At present, the capacity of Iron Tablets in this unit is 108 crore tablets per annum. This capacity is almost utilized at 80-90% and we will be requiring equal capacity to be increased. And for that we have to add one 62 station tablet machine and another same capacity machine to replace an existing 35 station machine. In all, we will be having three 62 station machines. In addition, one high speed blister packing machine and one box packing machine (plastic box) for loose tablets. For this, we have 3000 sq feet area available with us on the first floor of UNIT-I building. With this addition, the capacity will come to 216 crore tablets per annum which will be sufficient for us for the coming five years at least.

### 4. Customer Satisfaction

The business of our Company is customer oriented and always strives to maintain good relationship with the customers. Our Company's marketing team approaches existing customers for their feedback and based on their feedback any changes in the products if required are carried out. Our Company provides quality products and effective follow-ups with customers who ensure that the customers are satisfied with the product and do not have any complain

## BUSINESS PROCESS

### a) The Process flow of our domestic operations is described below:



- ***Order generation***

Our sales and marketing team, through personal visits and other marketing initiatives, generates orders/requirements from the domestic market. Regular follow ups and visits to government hospitals and dispensaries are very crucial.

- ***Purchase and Supply of Raw Materials***

Depending upon the requirements for each product, Our company has maintained relationship with the regular suppliers for raw material and packing material needs. We float regular purchase inquiries to our approved vendors as per our approved vendor list, receive quotations and place orders to the best bidders depending upon their delivery timelines and prices.

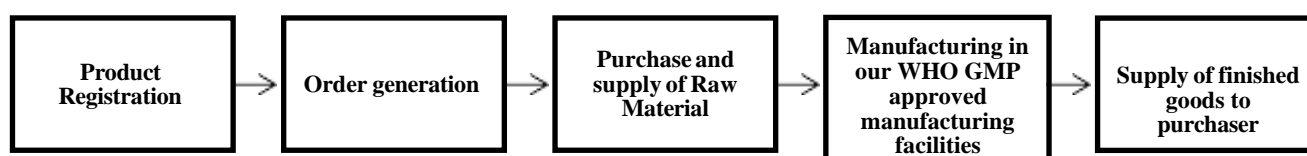
- ***Manufacturing on Contract basis***

We manufacture for third parties and direct supplies to government under our own manufacturing facility certified by WHO Good Manufacturing Practice (GMP).

- ***Supply to domestic purchasers***

Depending on the requirements of the purchaser, we supply the finished products to the customers using third party transportation facility. Alternatively, we store the finished products at our storage facility at our manufacturing facilities and warehouses for regular supplies for rate contracts to government institutions anticipating their demands. Proper inventory control methods are in place to avoid expiries.

**b) The Process flow of sale of Pharma products in International Market**



- ***Product Registration***

We have our presence through registered products or products under registration in countries like Congo, Benin, Cameg, Togo, Senegal, Burkina Faso, Philippines, Myanmar, Mozambique, Togo, Burundi, Kyrgyzstan, Kenya. Our product portfolio consists of 84 products, as on March 31, 2024. We operate under different brand names across the globe.

- ***Order generation***

We generate orders through our buyers/ distributors in various countries, also through merchant exporters situated in India. We also participate in international tenders through them.

- ***Purchase and Supply of Raw Materials***

Depending upon the requirements for each product, our company has maintained relationship with the regular suppliers for raw material and packing material needs. We float regular purchase inquiries to our approved vendors as per our approved vendor list, receive quotations and place orders to the best bidders depending upon their delivery timelines and prices.

- ***Manufacturing on Contract basis***

We manufacture for third parties under our own manufacturing facility certified by WHO Good Manufacturing Practice (GMP).

- ***Supply of finished goods to purchaser***

Depending on the requirements of the purchaser, we supply the finished products to the customers using third party transportation facility. Alternatively, we store the finished products at our storage facility at our manufacturing facilities and warehouses for regular supplies for rate contracts to government institutions anticipating their demands. Proper inventory control methods are in place to avoid expiries

## SWOT ANALYSIS



## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

## MARKETING & DISTRIBUTION

As on March 31, 2024 our marketing team comprises of 8 members and 38 partners who market our product under their brand name and 12 merchant exporter who sell our product overseas. The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our channels that are associated with our Company. Our management through their experience and good rapport with distributors owing to timely and quality delivery of quality products plays an instrumental role in creating and expanding existing and new markets for our Company.

We adopt product-wise, client-wise, location-wise and geography-wise approach for selling and marketing our products. Our marketing team also works to maintaining the existing clients and acquiring new clients for our products. Our marketing team focuses on increasing our market share through addition of new & unique products. We believe our relationship with our distributors is cordial and established as we receive repeat order flows.

To retain our distributors, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas and expanding our export operations. Our marketing team is ready to take up challenges to scale new heights.

We intend to enhance our global presence leveraging on its vast experience, technological strength & product quality & timely supply skills. We also intend to have our local presence in key international markets to achieve better profit margins and sales, simultaneously reducing our dependence on buyers. We have a qualified export team and in-house regulatory team, as well, which is working regularly in product registrations. Our company intend to focus on direct export of our Pharma Products.

## END USERS

In domestic market, we sale our products to big and medium size companies and domestic pharmaceutical distributors. In export market, we sale our products to merchant exporters and international distributors who in turn sale the products to end users.

## PLANT AND MACHINERIES

We have 2 (two) manufacturing facilities in Haridwar. We have all required machinery and equipment inhouse to manufacture according to current order flow and we have ample spare capacities to fulfil more orders and facilitate growth. We also have self-sufficient inhouse Quality control laboratory separately for each facility to facilitate all testing requirements for both the manufacturing facilities. We manufacture quality pharmaceutical products in controlled environment and also maintain an inhouse engineering department to cater to preventive maintenance and wear and tear needs (if any).

List of all the equipment's for both the manufacturing facilities are as under:

### MANUFACTURING FACILITY-1

#### a) PRODUCTION EQUIPMENT

SR. NO.	EQUIPMENT NAME	LOCATION	NATURE AND FUNCTION OF THE MACHINES
1	Mass Mixer Capacity 250 Kg.	Granulation	Dry Mixing and Wet Missing of material
2	S.S. Paste Kettle (Oil jacketed) Capacity 50 kg	Granulation	Bindeing solution preparation
3	Fluid Bed Dryer Capacity 200 kg	Granulation	Drying of Granules
4	FBD 200 Kg Trolley 1 and 2	Granulation	Granules Container for Drying
5	Multimill	Granulation	Milling of wet mass and Dried granules
6	Mechanical shifter	Granulation	Sieving of all materials for Granulation
7	Double Cone Blender Capacity 250 Ltr.	Granulation	Lubrication of dried granules
8	35 Stn. Compression M/c. B Tooling	Compression II	Tablet punching/Preparation machine
9	61 Stn. Compression M/c. BB Tooling	Compression I	Tablet punching/Preparation machine
10	Dehumidifier	Compression I and II	For controlling of enviornmental Humidity in production area
11	Balance (100 kg)	Coating Quarantine	Weighing of tablets/Coating solution
12	Solution Preparation Tank.	Coating	Coating solution preparation/storage
13	Balance (300 kg)	Granulation	Weighing of Raw Materials/ Granules
14	42" Coating PAN	Coating	For Tablet costing purpose
15	Spray gun	Coating	Spraying of coating solution on tablets in coating process
16	Peristaltic pumps	Coating	Coating solution pumping to spray guns in coating process
17	Tray Dryer	Granulation	Drying of Folic Acid Granules in Granulation activity
18	Communilting mill	Granulation	milling of hard and course granules



19	Electronic balance 220gms	Tablets	For weighing of tablets in In process check
20	45 Stn. Compression M/c. Tooling	Compression III	Tablet punching/ Preparation machine
21	Blister Machine	Packing	Packing of tablets in alu PVC blister Pack

**b) QUALITY CONTROL LAB EQUIPMENT**

SR. NO.	EQUIPMENT NAME	LOCATION	NATURE AND FUNCTION OF THE MACHINES
1.	Electronic Balance	Micro Lab and QC Lab	For weighing of chemicals
2.	BOD Incubator	QC Lab	For incubation of plates
3.	Karl fisher Titrater	QC Lab	For titration of solutions
4.	Melting point Apparatus	QC Lab	Detection of melting point of materials
5.	UV-Vis Spectrophotometer	QC Lab	to measure UV and visible lights absorbed by the samples
6.	Dissolution Test Apparatus	QC Lab	To analyse dissolution test for tablet
7.	Polarimeter	QC Lab	Measure the concentration of optically active solutions
8.	Leak Test Apparatus	QC Lab	To check leakage of product pack during process
9.	Disintegration Test Apparatus	QC Lab	Detection of Disintegration time of Tablets
10.	Digital Hot Air Oven	QC Lab	For Drying of glassware
11.	Vacuum Oven	QC Lab	For Drying of glassware
12.	Muffle Furnace	QC Lab	For Drying of glassware
13.	pH meter	QC Lab	Detection of pH value of liquids
14.	Magnetic Stirrer	QC Lab	To stir liquids during heating on hot plate
15.	Thermostatic Water bath	QC Lab	For indirect heating of materials
16.	Vertical autoclave	Micro Lab and QC Lab	For sterilization of Micro lab accessories using steam
17.	Refrigerator	Micro Lab	For storage of working standard at controlled temperature
18.	L.A.F/Horizontal	Micro Lab	To maintain air control of specific area in micro lab
19.	Bacteriological Incubator	Micro Lab	For incubation of plates
20.	Digital Colony Counter	Micro Lab	Counting of microbial colonies during micro analysis

21.	Antibiotic Zone Reader	Micro Lab	Counting of microbial colonies during micro analysis
22.	Binocular Microscope	Micro Lab	Observation of micro parcels during microbiology analysis
23.	Ultrasonic bath	QC Lab	For indirect heating of materials
24.	Digital balance	QC Lab	For weighing of samples/chemicals
25.	Fume hood	QC Lab	To exhaust chemical fumes during preparation of reagents
26.	Vacuum Pump	QC Lab	For filtration of sample solution
27.	Centrifuge	QC Lab	For centrifuging process
28.	UV cabinet	QC Lab	For UV sterilization
29.	Refractometer	QC Lab	To measure compositions of substances/solutions
30.	Photo flourimeter	QC Lab	To measure florescence emitted by substance during exposure to UV and Visible rays
31.	Heating mantle	QC Lab	For heating of materials
32.	Hot plate	QC Lab	For heating of materials
33.	Hardness tester	QC Lab	To measure hardness of Tablets
34.	Stopwatch	QC Lab	Measurement of time
35.	Conductivity meter	QC Lab	Detection of conductivity of liquids
36.	HPLC	QC Lab	High pressure liquid chromatography

c) **UTILITES**

SR. NO.	EQUIPMENT NAME	LOCATION/ AREA	NATURE AND FUNCTION OF THE MACHINES
1	Transformers	Utility	For 3phase 440V electrical supply from Electrical Pole
2	Air Compressor-196 CFM	Utility	Generation and supply of compressed air to various equipment for Pneumatic operations
3	D.M. Water Plant 1000Lit/Hr	Utility	Generation/Circulation and supply of purified water to entire plant
4	D.G Set System	Utility	For Power back Up to Factory
5	Air Carton-1	Utility	To prevent air contamination at the opening of doors directly in uncontrolled areas

6	Air Carton-2	Utility	To prevent air contamination at the opening of doors directly in uncontrolled areas
7	AHU-1	Blister-2	Circulation of Air through filtration to the area
8	AHU-2	Past Preparation & Washing Area	Circulation of Air through filtration to the area
9	AHU-3	Granulation Room	Circulation of Air through filtration to the area
10	AHU-5	Blister-1	Circulation of Air through filtration to the area
11	AHU-6	Compression -III	Circulation of Air through filtration to the area
12	AHU-7	Compression -I	Circulation of Air through filtration to the area
13	AHU-8	Compression -II	Circulation of Air through filtration to the area
14	AHU-9	Coating Room	Circulation of Air through filtration to the area
15	AHU-10	Tablet Quarantine	Circulation of Air through filtration to the area
16	AHU-11	Coating Solution Preparation Room	Circulation of Air through filtration to the area
17	AHU-12	Coating Quarantine Room	Circulation of Air through filtration to the area
18	AHU-18	Micro Labs Air Lock	Circulation of Air through filtration to the area
19	AHU-19	Dispensing Air Lock & Material Entry Room	Circulation of Air through filtration to the area
20	AHU-20	Sampling Room Air Lock & Material Entry Room	Circulation of Air through filtration to the area
21	AHU-21	Coating B	Circulation of Air through filtration to the area
22	AHU-22	Corridor Main Entry	Circulation of Air through filtration to the area
23	AHU-23	Corridor Air Lock, Man & Material Entry	Circulation of Air through filtration to the area
24	AHU-24	Media Preparation & Incubation Room	Circulation of Air through filtration to the area

a) **PRODUCTION EQUIPMENT**

SR. NO.	EQUIPMENT	NATURE AND FUNCTION OF THE MACHINES
1.	Sifter	For sieving of materials in granulation activities
2.	Multimill	Milling of wet mass and dried granules
3.	RMG 400 Liters	Dry mixing and wet granulation
4.	FBD 60 kg, 200 kg	Drying of granules
5.	Octagonal Blender 650 Ltr.	Lubrication of Granules
6.	Compression machine 27 station	Tablet Punching/Preparation
7.	Coating Pan 36''	for coating of tablets
8.	Blister machine RP-240, EPI-2000	For packing of tablet/Capsules in Alu PVC blister Pack
9.	Strip machine	For packing of tablet/Capsules in Alu Alu Strip Pack
10.	Alu-Alu Machine	For packing of tablet/Capsules in Alu Alu Blister Pack
11.	Coding machine	For coding batch details on product cartons
12.	Packing conveyor Belt	for on line continuous packing of products
13.	Balance 60 kg, 200 kg	For weighing of materials
14.	Starch Paste Unit 100 Ltr	Binder solution preparation for granulation
15.	Mass Mixer	For dry powder mixing
16.	Tray Dryer	For drying of materials
17.	Capsule Loader	for loading hard gelatine capsule in capsule filling plates
18.	Capsule hand filling machine	for filling and sealing of hard gelatine capsule
19.	De-humidifier	For humidity control in capsule filling area
20.	Capsule Polishing Machine	for polishing and excess powder removing from filled capsules
21.	Capsule filling M/c SA9 (SR. No. 996)	for filling and sealing of hard gelatine capsule
22.	Sugar manufacturing Tank with Stirrer 1000 Liters	For preparation base sugar syrup solutions for Liquid products
23.	Manufacturing Tank with Stirrer 2000 Liters	For preparation of syrup/Suspension solutions of Liquid products

24	Manufacturing Tank with Stirrer 1000 Liters	For preparation of syrup/Suspension solutions of Liquid products
25	Bottle washing machine & Turn Table	For washing and arranging of empty bottles prior to filling of oral liquid products
26	4 Head Liquid Filling	For Syrup/Suspension bottle filling
27	4 Head Liquid Sealing machine	For Syrup/Suspension bottle PP Cap fitting and Sealing
28	Visual inspection	Inspection of filled bottles prior to labelling
29	Labeling & Coding machine	for batch coding and label fixing on filled bottles
30	Packing conveyor Belt	for online continue packing of bottles
31	Liquid transfer Pump	for pumping of liquid products from one tank to another tank
32	Filter press Pump	For high pressure filtration of liquids
33	Colloidal mill	For colliding suspension products
34	SS jacketed manufacturing tank 300 kg	For manufacturing of Ointment/Creams
35	Ointment storage tank 300 kg	For manufacturing of Ointment/Creams
36	SS jacketed Wax vessel Tank 300 kg	For manufacturing of Ointment/Creams
37	SS jacketed Planetary mixture 100 kg	For manufacturing of Ointment/Creams
38	Ointment Filling & Sealing Machine	For filling and sealing of tubes
39	Packing conveyor Belt	for online continue packing of Tubes
40	Balance 100 Kg	For weighing of materials
41	Balance 2 Kg	For weighing of materials
42	Balance 10 Kg	For weighing of materials
43	Balance 220 Kg	For weighing of materials
44	PASS Box Ointment Manufacturing	For movement of materials from corridor to core area
45	PASS Box Oral Liquid Manufacturing	For movement of materials from corridor to core area
46	PASS Box Empty Bottle Decartaning Area	For movement of materials from corridor to core area
47	PASS Box Empty Tube Ointment Filling Area	For movement of materials from corridor to core area
48	PASS Box Filled Tube Ointment Packing Hall Area	For movement of materials from corridor to core area

49	PASS Box Granulation I Area	For movement of materials from corridor to core area
50	PASS Box Granulation II Area	For movement of materials from corridor to core area
51	PASS Box Capsule Filling Area	For movement of materials from corridor to core area
52	PASS Box Capsule quarantine	For movement of materials from corridor to core area
53	PASS Box Blister II	For movement of materials from corridor to core area
54	PASS Box Compression I	For movement of materials from corridor to core area
55	PASS Box Compression II	For movement of materials from corridor to core area
56	PASS Box Compression III	For movement of materials from corridor to core area
57	PASS Box Packing Machines	For movement of materials from corridor to core area
58	PASS Box Sampling Booth	For movement of materials from corridor to core area
59	PASS Box Dispensing Booth	For movement of materials from corridor to core area
60	PASS Box Coating Room	For movement of materials from corridor to core area
61	Manufacturing Tank with Stirrer 500 Liters	for mixing of products
62	Manufacturing Tank 100 Liters	for mixing of products
63	Packing conveyor Belt (Capsule)	for online continue packing of Capsule

**b) QUALITY CONTROL LAB EQUIPMENT**

SR. NO.	EQUIPMENT	NATURE AND FUNCTION OF THE MACHINES
1.	UV-VIS Spectrophotometer	to measure UV and visible lights absorbed by the samples
2.	pH Meter/Conductivity meter	Detection of pH value/ conductivity of liquids
3.	Weighing Balance 220 gm	for weighing of samples/standards
4.	Melting point Apparatus	Detection of melting point of materials
5.	Friability Test Apparatus	Detection of friability of tablets

6.	Disintegration Test Apparatus	Detection of Disintegration time of Tablets/Capsules
7.	UV Cabinet	For UV sterilization of glass ware
8.	Hot Air Oven	for Drying of glassware
9.	Vacuum Oven	for Drying of glassware
10.	Water Bath	For indirect heating of materials
11.	Muffle Furnace	for Drying of glassware
12.	Hot Plate	for heating of materials
13.	Magnetic Stirrer with hot plate	To stir liquids during heating on hot plate
14.	Vernier Caliper	for measurement of thickness/diameter etc
15.	Centrifuge	for centrifuging process
16.	Refractometer	to measure compositions of substances/solutions
17.	Polarimeter	To measure the concentration of optically active solutions
18.	BOD Incubator	for incubation of plates
19.	Bacteriological Incubator	for incubation of plates
20.	Vertical Autoclave	for sterilization of Micro lab accessories using steam
21.	Digital Colony Counter	Counting of microbial colonies during micro analysis
22.	Microscope	observation of micro particles during microbiology analysis
23.	Heating Mantle	for heating of materials
24.	RLAF	To maintain air control of specific area in micro lab
25.	Stop watch	measurement of time
26.	Refrigerator	for storage of working standard at controlled temperature
27.	Fuming Chamber	to exhaust chemical fumes during preparation of reagents
28.	Ultrasonic Cleaning bath	for cleaning and sanitization of Qc utensils
29.	Distillation apparatus	For generation of Distilled water to be used in analysis on HPLC
30.	Safety Shower & Eye wash unit	Safety Shower & Eye wash unit
31.	Karl Fischer Titrator	For titration during analysis
32.	Digital photo Flourimeter	To measure florescence emitted by substance



		during exposure to UV and Visible rays
33.	Dissolution Test Apparatus	To analyse dissolution test for tablet and capsule
34.	220 gm Balance (Microbiology)	For weighing of micro culture etc.
35.	HPLC	High pressure liquid chromatography
36.	Gauge	Measurement of air pressure

c) **UTILITES**

SR. NO.	EQUIPMENT	LOCATION/AREA	NATURE AND FUNCTION OF THE MACHINES
1	Water system 500 ltr/hrs	Utility	Generation/Circulation and supply of purified water to entire plant
2	Transformer 315 KVA	Utility	For 3phase 440V electrical supply from Electrical Pole
3	DG 225KVA	Utility	For Power back Up to Factory
4	Air Compressor	Utility	Generation and supply of compressed air to various equipment for Pneumatic operations
7	AHU-1	Blister-2	Circulation of Air through filtration to the area
8	AHU-2	Past Preparation & Washing Area	Circulation of Air through filtration to the area
9	AHU-3	Granulation Room	Circulation of Air through filtration to the area
10	AHU-5	Blister-1	Circulation of Air through filtration to the area
11	AHU-6	Compression -III	Circulation of Air through filtration to the area
12	AHU-7	Compression -I	Circulation of Air through filtration to the area
13	AHU-8	Compression -II	Circulation of Air through filtration to the area
14	AHU-9	Coating Room	Circulation of Air through filtration to the area
15	AHU-10	Tablet Quarantine	Circulation of Air through filtration to the area
16	AHU-11	Coating Solution Preparation Room	Circulation of Air through filtration to the area
17	AHU-12	Coating Quarantine Room	Circulation of Air through filtration to the area
18	AHU-18	Micro Labs Air Lock	Circulation of Air through filtration to the area
19	AHU-19	Dispensing Air Lock & Material Entry Room	Circulation of Air through filtration to the area

20	AHU-20	Sampling Room Air Lock & Material Entry Room	Circulation of Air through filtration to the area
21	AHU-21	Alu Alu	Circulation of Air through filtration to the area
22	AHU-22	Corridor Main Entry	Circulation of Air through filtration to the area
23	AHU-23	Strip Packing	Circulation of Air through filtration to the area
24	AHU-24	Media Preparation & Incubation Room	Circulation of Air through filtration to the area

## CAPACITY AND CAPACITY UTILIZATION

Set forth below is the detail of installed and utilized capacity of our manufacturing unit 1 and unit 2 for the last three years and stub period.

At our Unit 01 the company manufactures Iron Tablets exclusively.

At our Unit 02, the company manufactures other tablets, suspension, capsules, ointments and dry powder sachets.

### Unit I

Year	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021
<b>Installed Capacity</b> (in Lakh tablets)	10800	10800	10800	10800
<b>Utilized Capacity</b> (in Lakh tablets)	4752	9720	9288	8964
<b>% Capacity Utilization</b>	44%	90%	86%	83%

### Unit II

FY - 2023 - 2024			
Product Offerings	Installed Capacity	Utilized capacity	% of Utilization
Tablets (in Lakh tablets)	10800	5616	52
Suspension (in Liter)	936000	336960	36
Capsules (in Lakh Capsule)	780	187.2	24
Ointment (in Kg)	93600	26208	28
Dry Powder Sachets (in Number)	3744000	973440	26

FY - 2022 - 2023			
Product Offerings	Installed Capacity	Utilized capacity	% of Utilization
Tablets (in Lakh tablets)	10800	5940	55
Suspension (in Litre)	936000	374400	40
Capsules (in Lakh Capsule)	780	156	20
Ointment (in Kg)	93600	29952	32
Dry Powder Sachets (in Number)	3744000	786240	21

FY - 2021 - 2022			
Product Offerings	Installed Capacity	Utilized capacity	% of Utilization
Tablets (in Lakh tablets)	10800	5616	52
Suspension (in Litre)	936000	365040	39
Capsules (in Lakh Capsule)	780	227	29
Ointment (in Kg)	93600	28080	30
Dry Powder Sachets (in Number)	3744000	1048320	28

FY - 2020 - 2021			
Product Offerings	Installed Capacity	Utilized capacity	% of Utilization
Tablets (in Lakh tablets)	10800	5184	48
Suspension (in Litre)	936000	421200	45
Capsules (in Lakh Capsule)	780	195	25
Ointment (in Kg)	93600	18720	20
Dry Powder Sachets (in Number)	3744000	973440	26

## COMPETITION

We compete with organized and as well as unorganized players in the industry with better financial position, market share, product ranges, human and other resources. Manufacturing Capacities, Branding and marketing are the key factors in the industry where larger players are in a better position to market their products.

We have continued competing vigorously to capture more market share and manage our growth in an optimal way. To that effect, we have been launching newer products across different grades and quality in the market to cater and penetrate in new geographical region.

## RAW MATERIAL

We source our raw materials very carefully from our approved vendors. We approve our vendors after extensive testing and approval process to assure the best quality of our products. Further, we use only approved raw materials from the FDA of India. They are based on globally accepted published pharmacopoeias i.e. Indian pharmacopoeia (IP), British pharmacopoeia (BP), US pharmacopoeia (USP). We also mention these on our finished packs for better clarity. We also disclose that all our raw materials are completely safe and non-hazardous. For instance some of the Raw Materials used by us are 1. Dried Ferrous

Sulphate. 2. Dextromethorphan. 3. Rosuvastatin. 4. Methylprednisolone. 5. Folic Acid.

Generally, there are multiple sources that can supply the raw materials that we require. Our raw material sourcing is not dependent on a single source of supply and we have access to alternate sources for our procurement of raw materials. All raw materials and packing materials are easily available in India.

## QUALITY CONTROL AND QUALITY ASSURANCE

We believe that quality function is critical to our brand and continued growth. The provision of high quality products is a key differentiator in our business, critical to our continued success and the maintenance of long-term relationships with our customers. We are committed to providing high quality products to our customers and to meet this commitment, we have implemented current good manufacturing practices across our manufacturing sites, encompassing all areas of business processes right from supply chain to product delivery. This enables us to maintain consistent quality, efficiency and product safety.

## UTILITIES AND WATER

### POWER

A reliable, continual power supply is critical to any industrial process to prevent costly interruptions. But nowhere is it more critical than in a sterile environment that handles aseptic / Biological manufacturing. An interruption can lead to discarding entire batches of products, potentially costing producers hundreds of thousands of rupees. That's why backup power is important to provide continuous and quality power to avoid unplanned downtime and production losses

DG sets of Appropriate capacity are installed for power back up to manufacturing facility.

Connected Load = 300 kW

Diversity Factor = 0.54

(Demand / connected load) Max. Demand =  $300 \times 0.54 = 162$  kW

% Loading = 54

Set rating =  $300/0.70 = 355$  kW At 0.8 PF, rating = 225 kVA

### WATER

Background to water requirements and uses

1. Water is the most widely used substance, raw material or starting material in the production, processing and formulation of pharmaceutical products. It has unique chemical properties due to its polarity and hydrogen bonds. This means it is able to dissolve, absorb, adsorb or suspend many different compounds. These include contaminants that may represent hazards in themselves or that may be able to react with intended product substances, resulting in hazards to health.
2. Control of the quality of water throughout the production, storage and distribution processes, including microbiological and chemical quality, is a major concern. Unlike other product and process ingredients, water is usually drawn from a system on demand, and is not subject to testing and batch or lot release before use. Assurance of quality to meet the on-demand expectation is, therefore, essential. Additionally, certain microbiological tests may require periods of incubation and, therefore, the results are likely to lag behind the water use.
3. Control of the microbiological quality of WPU is a high priority. Some types of microorganism may proliferate in water treatment components and in the storage and distribution systems. It is crucial to minimize microbial contamination by proper design of the system, periodic sanitization and by taking appropriate measures to prevent microbial proliferation.

### **Generation and distribution of purified water**

The Purified water Storage and Distribution system consists of: -

- 1) Purified water Storage and Distribution Loop system.
- 2) Control panel.

All these units are briefly described as below.

### **1) PURIFIED WATER STORAGE AND DISTRIBUTION LOOP SYSTEM**

The sub units of the above system are: -

- a) 1000 liter SS Jacketed Storage tank with accessories – 1 No (RE)

- b) Distribution Skid – 1 No
- c) Distribution Loop System

A brief description of all above said sub units are as below: -

a) 1000 LITER SS JACKETED STORAGE TANK WITH ACCESSORIES:

From generation plant is stored in the SS jacketed storage tank of 1000 liters capacity. The tank is Vertical supported on Four Leg supports with Top flat and Bottom dished end made

Tore spherical so as to maintain full drain ability of water in the tank. It is fabricated from SS 316L material and internally electro polished to a surface finish of < 0.3 Ra. The tank is provided with a spray ball inside the tank for keeping the internal surface of the tank wet. The tank is breathing through a vent filter with 0.2μ cartridge filter to prevent any atmospheric contamination in the tank and also prevent moisture entering into the tank. A compound pressure gauge is provided on top of the tank for monitoring pressure inside the tank. The tank is fitted with a Capacitance type level switch which will prevent the tank from overflowing as well as safeguards the pumps from running dry. Jacket is provided to tank with steam as the utility.

b) DISTRIBUTION SKID

The distribution skid for the loop consists of Centrifugal Pump – 1 Nos. (Working, interconnecting piping, instruments and diaphragm valves for various applications (i.e. sampling, controlling, and isolation). The centrifugal pump provided is of capacity 5 m<sup>3</sup>/hr. Pump is connected to the bottom of the tank with SS 316L piping with valves for isolation and drainage. At the discharge of the pumps there is a pressure gauge provided for monitoring the pressure, which the pump is delivering.

c) DISTRIBUTION LOOP SYSTEM

The whole distribution loop being fabricated and installed as per standard norms and are fabricated out of SS316L STAINLESS STEEL tubes and tube fittings. The fabrication being done by using UNIVERSAL WELDING SYSTEM ORBITRON- 5000 with a closed head in an inert atmosphere of argon gas to give crevice free welds with the concavity and convexity of the weld well within permissible limits. Care is being taken that there is minimum amount of dead leg in the fabricated distribution system. The distribution system on the whole being designed so as to give minimum load on the water treatment plant which reflects a good engineered system taking care of the cost factors involving the initial set up cost as well as the maintenance and running cost. The user point valves are Manual Diaphragm valves.

## 2) CONTROL PANEL

Whenever the system is to be sanitized a signal is given to the CONTROL PANEL, which performs the necessary control action. The return line of the distribution loop is connected to the top of the 1000 liter storage tank in the spray ball provided inside the tank. UV sterilizer is installed online in the loop before water is being distributed to the user points which control the microbial growth. The distribution loop consists of (15 Nos.) user points, which are located at various locations in production block. Steam inlet to jacket is provided to maintain the elevated temperature for specific period of time during the sanitization by means of steam control valve which is control by temperature controller installed online. Whenever the system is to be sanitized a signal is given to the CONTROL PANEL, which performs the necessary control action. The return line of the distribution loop is connected to the top of the 1000 liter storage tank in the spray ball provided inside the tank.

The whole assembly with piping and components is mounted on a SS framework. An RTD sensor is installed in the jacketed of tank & Return line of the distribution loop for monitoring the temperature of water inside the pipeline.

### AIR

Air is used for process, cleaning, instrumentation and for miscellaneous purpose. The source of air is from surrounding air. The suitable air filtration is installed to meet ISO 5873-1:2010 Quality class 1-2-1.

All system –installed filters have removable cartridges and be supplied with calibrated pressure gauge, vent valve and drain valve. Both filters and dryers are positioned in technical area so that they are easily accessed for regular routine maintenance and Check Up.

Compressed air is generated by compressing atmospheric air by a screw Teflon coated machine (oil free). This compressed air is then de-humidified by passing through a heatless type (desiccant) air dryer, wherein dew point of -40 °C is achieved. The dried air is again stored in a dry air receiver. Air at the outlet is filtered through cartridge filter bank. Filtered air is used for process and general purpose.

The use points are categorised as “critical use points. & “non critical “use points. Use points where air comes in the contact with the product/primary packing components are identified as critical use points. The use points where compressed air is

used to run the various components of the machine only like pneumatic operation of valves and pistons & the air does not come in contact with the product were identified as “non critical “use points.

Air quality of the “non critical “use points therefore has not been checked. Only required air pressure at the use points has been confirmed.

## HUMAN RESOURCES:

As on March 31, 2024, we have the total 112 Employees. Department wise bifurcation is provided below:

SR. NO.	CATEGORY OF EMPLOYEES	NO. OF EMPLOYEES
1.	Sales and Marketing	8
2.	Accounts and Finance	3
3.	Purchase	2
4.	Quality Control	13
5.	Quality Assurance	5
6.	Production	59
7.	Administration	4
8.	IT	1
9.	Utilities	8
10.	Warehousing	9
	<b>Total</b>	<b>112</b>

Notes:

1) As on March 31, 2024 total employee strength is 112 employees. Out of 116 personnel involved in Manufacturing and Operations, 62 are permanent employees and 50 are on contractual basis.

## INTELLECTUAL PROPERTY RIGHTS (IPR):

### Trademarks:

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of the trademark applications are as under:

SR. NO	TM NO.	STATUS	DOF	CLASS	TM	ALERT
1	1447758	Registered	24/04/2006	5	NALIPRO	valid upto 24/04/2026
2	1447759	Registered	24/04/2006	5	FULBRIT	valid upto 24/04/2026
3	1460776	Registered	06-05-2006	5	MEREDIT	valid upto 24/04/2026
4	1482966	Registered	30/08/2006	5	SEDIMPEN	valid upto 30/08/2026
5	1482968	Registered	30/08/2006	5	SINOBRIT	valid upto 30/08/2026
6	1482969	Registered	30/08/2006	5	TOPFOND	valid upto 30/08/2026
7	1482974	Registered	30/08/2006	5	ROULANT	valid upto 30/08/2026
8	1482975	Registered	30/08/2006	5	ENSEMBEL	valid upto 30/08/2026
9	1482976	Registered	30/08/2006	5	ICLABEN	valid upto 30/08/2026
10	1483296	Registered	31/08/2006	5	CIPENTEX	valid upto 30/08/2026
11	1483298	Registered	31/08/2006	5	AMODARTE	valid upto 30/08/2026

12	1496980	Registered	13/10/2006	5	FORLET	valid upto 13/10/2026
13	1520282	Registered	26/12/2006	5	GENCHECK	valid upto 26/12/2026
14	1524232	Registered	18/01/2007	5	GABUFAST	valid upto 18/01/2027
15	1530688	Registered	13/02/2007	5	NIKOVIL	valid till 13-02-2027
16	1530689	Registered	13/02/2007	5	CLINDOMAX	valid upto 13/02/2027
17	1530690	Registered	13/02/2007	5	DILBRO	valid upto 13/02/2027
18	1530691	Registered	13/02/2007	5	RAZZPRO	valid upto 13/02/2027
19	1530693	Registered	13/02/2007	5	CEFOCREM	valid upto 13/02/2027
20	1530695	Registered	13/02/2007	5	OCICHIP	valid upto 13/02/2027
21	1530696	Registered	13/02/2007	5	COSBID	valid upto 13/02/2027
22	1532020	Registered	19/02/2007	5	GLAZIMED	valid upto 19/02/2027
23	1532026	Registered	19/02/2007	5	ITRASWICH	valid upto 19/02/2027
24	1532028	Registered	19/02/2007	5	DOXYRYG	valid upto 19/02/2027
25	1587280	Registered	08-03-2007	5	CLINPHAR	valid upto 03/08/2027
26	1587282	Registered	08-03-2007	5	KROMASIL	valid upto 03/08/2027
27	1587284	Registered	08-03-2007	5	CALIDAD	valid upto 03/08/2027
28	1629687	Registered	12-11-2007	5	CHEMNOL	valid upto 11/12/2027
29	1629688	Registered	12-11-2007	5	BREGA	valid upto 11/12/2027
30	1629689	Registered	12-11-2007	5	TECNON	valid upto 11/12/2027
31	1720628	Registered	08-12-2008	5	MALSPIN	Valid upto 04/08/2028
32	1720629	Registered	08-12-2008	5	APARIC	Valid upto 04/08/2028
33	1720633	Registered	08-12-2008	5	OMBON	Valid upto 04/08/2028
34	1720634	Registered	08-12-2008	5	MARLET	Valid upto 04/08/2028

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

Note: Our Company does not own the use of the term “Medicamen” used in the name of our Company which was been licensed to our Company under an arrangement between our Promoter and Director Mr. Bal Krishan Gupta with M/s ‘Shivalik Rasayan Limited’. For details of the arrangement refer “***History and Certain Corporate Matters -Shareholders and Other Agreements***” and for risks associated with our intellectual property, please see, “***Risk Factors - We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights***” on page 31 of this Red Herring Prospectus.

#### Domain Name:

Sr. No.	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.medicamenorganics.com">www.medicamenorganics.com</a>		Domains By	July	July 6,



			Proxy, LLC	6, 2023	2024
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## INSURANCE:

Presently, our company has following Insurance Policies:

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Period of Insurance	Details	Sum assured (₹ in Lakhs)	Premium Paid (Amount in ₹)
1.	New India Assurance Company Limited	31130511224300000007	Medicamen Organics Limited (Unit-1)	From 00:00 hours of 29/03/2023 To Midnight of 28/03/2024	Standard Fire and allied perils	651.33	1,16,054/-
2.	New India Assurance Company Limited	31130546220100000051	Medicamen Organics Limited (Unit-1)	From 00:00 hours of 29/03/2023 To Midnight of 28/03/2024	Burglary Insurance	100.00	118/-
3.	New India Assurance Company Limited	31130511224300000008	Medicamen Organics Limited (Unit-2)	From 00:00 hours of 28/03/2023 To Midnight of 29/03/2024	Standard Fire and allied perils	127.50	2,27,188/-
4.	New India Assurance Company Limited	31130546220100000050	Medicamen Organics Limited (Unit-2)	From 00:00 hours of 28/03/2023 To Midnight of 29/03/2024	Burglary Insurance	350.00	413/-

## DETAILS OF IMMOVABLE PROPERTY:

### 1. Properties Owned by our Company:

As on the date of this Red Herring Prospectus, our company does not own any immovable property.

### 2. Properties taken on lease by our Company:

The Details of the Immovable property taken on lease basis is given here below:

Sr. No.	Document / Agreement Date	Name of Lessor	Name of Lessee	Description of Property	Usage Purpose	Rent (In ₹)	Tenure
1.	November 30, 2005	SIDCUL	M/s Medicamen Organics Limited (Unit-1)	60, Sector 6A, I.I.E. SIDCUL, Ranipur, Haridwar-249403, Uttarakhand	Factory	5,000	90 Years
2.	March 10-2010	SIDCUL	M/s Medicamen Organics Limited (Unit-1)	61, Sector 6A, I.I.E. SIDCUL, Ranipur, Haridwar-249403, Uttarakhand	Factory	5,000	90 Years

3.	October 04, 2021	Smt. Pinky Mehta	M/s Medicamen Organics Limited	10, 2 <sup>nd</sup> Floor Community Centre No. 2, Ashok Vihar, Phase II, New Delhi- 110052 India	Commercial Purpose	34,650 and Rs. 36,383 w.e.f 01.10.2023 to 30.09.2024.	3 Years
4.	February 21, 2024	Bal Kishan Gupta	M/s Medicamen Organics Limited	10, 1 <sup>st</sup> Floor, Community Centre, No. 2, Ashok Vihar, Phase II, New Delhi- 110052 India	Registered Office  Commercial Purpose	10,000 w.e.f 21.02.2024 to 20.02.2027	3 years

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*In carrying on our business as described in the section titled “**Our Business**” on page 101, our Company “Medicamen Organics Limited” is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies 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 be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “**Government and Other Statutory Approvals**”.*

*Our Company is engaged in the business of manufacturing and export of certain pharmaceutical products like tablets, capsules, oral syrups, and ointments. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company and Subsidiaries are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.*

*Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:*

### **A. BUSINESS / TRADE RELATED LITAGATIONS / REGULATIONS**

#### ***Delhi Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019***

This Act regulates the conditions of employment and other conditions of service of workers employed in shops and other establishments and for matters connected therewith or incidental thereto and provides for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Every shop or commercial establishment that carries on any business, trade or manufacture is required to register itself under the relevant state’s shop and establishment act, as per the procedure laid down therein.

#### ***Delhi Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019***

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Every shop or commercial establishment that carries on any business, trade or manufacture is required to register itself under the relevant state’s shop and establishment act, as per the procedure laid down therein.

#### ***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 w.e.f. from July 1, 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.

## **B. INDUSTRY RELATED APPROVALS**

### ***Drugs and Cosmetics Act, 1940 (the “Drugs Act”), the Drugs and Cosmetics Rules, 1945 (the “Drugs Rules”)***

The Drugs Act regulates the import, manufacture, distribution, and sale of drugs and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated or spurious. The Drugs Act and the Drugs Rules specify the conditions for grant of a license for the manufacture, sale, import or distribution of any drug or cosmetic. It further mandates that every person holding a license to maintain such records that may be open to inspection by relevant authorities. Any violations of the provisions of the Drugs Act, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents are punishable with a fine, or imprisonment or both.

The Drugs Rules lay down the functions of the central drugs laboratory established under Section 6 of the Drugs Act. Under the Drugs Rules, an import license is required for importing drugs. The form and manner of application for import license has also been provided under the Drug Rules.

### ***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.

### ***Drugs, Medical Devices and Cosmetics Bill, 2022 (the “Drugs Bill, 2022”)***

In July 2022, the Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, inter alia, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

### ***Drugs (Control) Act, 1950 (the “Drugs Control Act”)***

The Drugs Control Act provides for control of sale, supply, and distribution of drugs. Under the Drugs Act, any drug may be declared by the Central Government by notification to be a drug within its purview. The authorities may also prohibit the disposal or direct the sale of any specified drug.

### ***Drugs (Prices Control) Order, 2013 (the “DPCO”)***

The DPCO has been notified under the ECA. The first schedule to the DPCO consists of a list of essential medicines or formulations. In relation to these scheduled formulations, the DPCO inter alia prescribes the method for calculating the ceiling price and provides that the Government shall fix and notify the ceiling prices. The DPCO also prescribes the method for calculating the retail price of a new drug in the domestic market for existing manufacturers of scheduled formulations. Further, under the DPCO, the Government has been assigned the task to monitor the production and availability of scheduled formulations and the active pharmaceutical ingredients contained in the scheduled formulation.

### ***The Narcotic Drugs and Psychotropic Substances Act, 1985 (the “NDPS Act”)***

The NDPS Act is a legal framework which seeks to control and regulate the operations relating to narcotic drugs and psychotropic substances. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, import into India and transshipment of narcotic drugs and psychotropic substances, except for medical or scientific purposes. Offences under the NDPS Act are essentially related to violations of the various prohibitions imposed under the NDPS Act, punishable by either imprisonment or monetary fines or both.

### ***The Pharmacy Act, 1948***

The Pharmacy Act, 1948 was enacted to regulate the profession of pharmacy. The Pharmacy Act, 1948 provides for the Constitution and Composition of Central Pharmacy Council and State Pharmacy Council as well as the Registration of Pharmacists. The Central Council is empowered to make education regulations prescribing the minimum standard of education required for qualification as a pharmacist. The Pharmacy Act, 1948 also provides for the registration of pharmacists with the State Government.

### ***The Poisons Act, 1919***

The Poisons Act, 1919 restricts the use of poisons and these include aconite, arsenic, morphine, heroin, essential oils of almonds, oxalic acid, poppies, chloroform, zinc chloride etc. The Poisons Act, 1919 empowers the Central Government to prohibit the importation into India across any customs frontier defined by the Central Government of any specified poison and regulate the grant of licenses.

### ***The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 (the “DMRA”)***

The DMRA seeks to control advertisements of drugs in certain cases and prohibits advertisement of remedies that claim to possess magic qualities. In terms of the DMRA, advertisements include any notice, circular, label, wrapper or other document and any announcement made orally or by any means of producing or transmitting light, sound or smoke. It also specifies the ailments for which no advertisement is allowed. DMRA prohibits advertisements that give false impression regarding the true character of a drug, make false claims for a drug, or are otherwise false or misleading in any material particular. Further, the Drugs and Magic Remedies (Objectionable Advertisements) Rules, 1955 have been framed for effective implementation of the provisions of the DMRA.

### ***National Pharmaceuticals Pricing Policy, 2012 (the “2012 Policy”)***

The 2012 Policy intends to provide the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 (“NLEM”) declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, in order to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices are regulated based on the essential nature of the drugs. Further, the 2012 Policy regulates the price of formulations only, through market-based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

### ***The National List of Essential Medicines, 2015 (“NLEM”)***

The National List of Essential Medicines, 2015 has been introduced to replace the National List of Essential Medicines, 2011. Essential medicines are those that satisfy the priority healthcare needs of majority of the population. The medicines mentioned under the list should be available at affordable cost and with assured quality. The Government of India, Ministry of Health & Family Welfare (MOHFW) is mandated to ensure the quality healthcare system by assuring availability of safe and efficacious medicines for its population. The primary purpose of NLEM is to promote rational use of medicines considering the three important aspects i.e. cost, safety and efficacy. Furthermore, it promotes prescription by generic names. Healthcare delivery institutions, health insurance bodies, standards setting institutions for medicines, medicine price control bodies, health economists and other healthcare stakeholders will be immensely benefitted in framing their policies. The first NLEM was prepared in the year 1996 and was subsequently revised in 2003. The lists of medicines are divided into 29 sections therapeutic area wise. This new list has added a total number of 160 medicines and

has deleted 70 medicines, which now contains a total of 376 medicines. The essentiality of a medicine has been considered in terms of its dosage form and strength.

#### ***The New Drugs and Clinical Trial Rules, 2019 (the “NDC Rules”)***

The clinical trials in India are controlled by the Directorate General (“DG”) of health services under the Ministry of Health and Family Welfare, Government of India. The NDC Rules lay down the process mechanics and guidelines for clinical trials, including procedure for approval for clinical trials. Clinical trials require obtaining of free, informed, and written consent from each study subject. The NDC Rules also provide for compensation in case of injury or death caused during the clinical trials. The Central Drugs Standard Control Organization has issued the guidance for industry for submission of clinical trial application for evaluating safety and efficacy, for the purpose of submission of clinical trial application as required under the NDC Rules. Further, under the NDC Rules, the ethics committee constituted thereunder is required to register itself with the central licensing authority in order to conduct any clinical trial, bioavailability study or bioequivalence study. The NDC Rules further provide for the composition and functions of the ethics committee and its period of validity. The NDC Rules further mandate the maintenance of records for a period of five years after completion of the clinical trial, bioavailability study or bioequivalence study, as the case may be.

#### ***The Essential Commodities Act, 1955 (the “ECA”)***

The ECA empowers the Central Government, to control the production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Under the ECA, an essential commodity means a commodity specified in the Schedule to the ECA, which is updated and notified from time to time. Using the powers under it, the Central Government has issued control orders for inter alia controlling the price of, regulating by licenses, permits or otherwise the production or manufacture of any essential commodity. Violations under the ECA are punishable by either imprisonment or monetary fines or both.

#### ***Food Safety and Standards Act, 2006 (“FSSA”) and rules and regulations made thereunder***

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). In addition to the FSSA, the following rules and regulations passed under the FSSA are applicable to our Company:

- a. Food Safety and Standards Rules, 2011;
- b. Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- c. Food Safety and Standards (Food Recall Procedure) Regulations, 2017;
- d. Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- e. Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- f. Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- g. Food Safety and Standards (Packaging) Regulations, 2018; and
- h. Food Safety and Standards (Labelling and Display) Regulations, 2020.

#### ***The Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“Advertisement Guidelines”)***

The Advertisement Guidelines provide for the prevention of false or misleading advertisements and making endorsements relating thereto. The Advertisement Guidelines apply inter alia to a manufacturer and to all advertisements regardless of form, format or medium. The Advertisement Guidelines lay down the conditions for non-misleading and valid advertisement and prohibit surrogate or indirect advertisements of goods or services whose advertising is prohibited or restricted by law, by portraying it to be an advertisement for other goods or services, the advertising of which is not prohibited or restricted by law. Further, the Advertisement Guidelines

lay down duties of inter alia a manufacturer and provide inter alia that every manufacturer shall ensure that all descriptions, claims and comparisons in an advertisement which relate to matters of objectively ascertainable facts shall be capable of substantiation. The Advertisement Guidelines further provide that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive.

#### ***The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA)***

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection and intensification of foreign exchange. The Government shall also issue order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbouring any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government

#### ***The Medicinal and Toilet Preparations (Excise Duties) Act, 1955 (“MTP Act”)***

MTP Act came into force on 27th April, 1955. MTP Act is applicable to the whole of India. The objective of MTP Act is to levy and collect excise duties on medicinal and toilet preparations consisting of alcohol, opium, Indian hemp and narcotic substances. The seventh schedule also lists the same. Entry 84 of the Union List, which falls under seventh schedule of the Constitution of India, provides that the Union government would be the regulating authority for the imposition of excise duty on medicinal and toilet preparations consisting of alcohol, opium, Indian hemp and narcotic substances. Excise duty is a source of revenue for Government and is a form of indirect tax. It is charged on excisable goods produced and manufactured in India. The duty is not upon sale of goods. Therefore, MTP Act came into existence to manage and curb the alcohol and related goods consumption and to use it in an effective way.

#### ***Delhi Industrial Policy, 2015***

Delhi has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Delhi. MSME sector has a special importance as this is the sector which belongs to common man. Delhi Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by way of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Delhi will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support will be provided to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents. Delhi government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Delhi stresses on —Zero Defects to produce globally competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one's products or wares. Government of Delhi will make market credit available to MSMEs. Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of 144 enterprise resources planning system (ERP) for MSMEs. Government of Delhi also provides assistance for raising capital through SME exchange on one-time basis



## C. ENVIRONMENTAL LEGISLATIONS

### ***Environment Protection Act, 1986 (the “EP Act”), Environment Protection Rules, 1986 (the “EP Rules”) and EIA Notification, 2006 (the “EIA”)***

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes, for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. 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.

### ***Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)***

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### ***The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “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 Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 (the “MSIHC Rules”)***

The MSIHC Rules apply to an industrial activity in which a hazardous chemical, as stipulated in Schedule I of the MSIHC Rules, is involved, or the isolated storage of a hazardous chemical listed in Schedule II of the MSIHC Rules. The MSIHC Rules stipulate that an occupier in control of an industrial activity has to take adequate steps to prevent major accidents and to limit their consequences to persons and the environment. Further, the occupier is under an obligation to notify the concerned authority on the occurrence of a major accident on the site or pipeline within 48 hours.

### ***Bio-Medical Waste Management Rules, 2016 (the “BMW Rules”)***

The BMW Rules have been made under the EP Act and is applicable to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take all necessary steps to ensure that such waste is handled without any adverse effect to human health and environment and inter alia to make a provision within the premises for a safe, ventilated and secured location for storage of segregated bio-medical waste, pre-treat laboratory waste and provide training to workers involved in handling bio-medical waste. The BMW Rules further require every occupier or operator handling bio-medical waste to apply to the prescribed authority for grant of authorization and submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, receipt, storage, transportation, treatment, disposal, or any form of handling of bio-medical waste in accordance with the BMW Rules and the guidelines issued thereunder. Section 15 of the EP Act provides that whoever fails to comply with or contravenes any of the provisions of this Act, or the rules made or orders or directions issued thereunder, would be punishable with fine or imprisonment or both.

### ***The Public Liability Insurance Act, 1991 (the “PLI Act”) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)***

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act, the owner or handler is also required to take out an insurance policy insuring against liability. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

### ***National Environmental Policy, 2006***

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

## **D. LABOUR LAW LEGISLATIONS**

### ***The Factories Act, 1948, as amended (the “Factories Act”),***

The Act, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

***The Building and Other Construction Workers' Welfare Cess Act, 1996 ("Construction Workers Act")***

The Act, provides for the levy and collection of a cess from an employer on the cost of construction incurred by employers with a view to augmenting the resources of the Building and Other Construction Workers' Welfare Boards constituted under the Construction Workers Act.

***The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")***

Regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

In addition to the Factories Act, the Construction Workers Act, and the CLRA the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- a. Employee's Compensation Act, 1923.
- b. Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- c. Employees' State Insurance Act, 1948.
- d. The Equal Remuneration Act, 1976.
- e. Maternity Benefit Act, 1961.
- f. Minimum Wages Act, 1948.
- g. Payment of Bonus Act, 1965.
- h. Payment of Gratuity Act, 1972.
- i. Payment of Wages Act, 1936.
- j. The Child Labour (Prohibition and Regulation) Act, 1986.
- k. The Labour Welfare Fund Act, 1965.
- l. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

***The Occupational Safety, Health and Working Conditions Code, 2020*** received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

***The Industrial Relations Code, 2020*** received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

***The Code on Wages, 2019*** received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

***The Code on Social Security, 2020*** received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

## **E. INTELLECTUAL PROPERTY LAWS**

### ***The Trade Marks Act, 1999 (the “Trademarks Act”)***

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or 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, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 (“Trademark Amendment Act”) simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

### ***The Patents Act 1970 (the “Patents Act”)***

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

### ***The Copyright Act, 1957 and the Copyright Rules, 2013 (the “Copyright Rules”)***

The Copyright Laws governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions

### ***Designs Act, 2000***

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain

## **F. FOREIGN INVESTMENT AND TRADE REGULATIONS;**

### ***Foreign Exchange Management Act, 1999***

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India 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”). Under the current Consolidated FDI Policy, foreign direct investment in companies engaged in the pharmaceutical sector is permitted up to 100% of the paid-up share capital in greenfield projects and up to 74% of the paid-up share

capital in brownfield projects under the automatic route, subject to compliance with certain prescribed pricing guidelines and reporting requirements. Investment in brownfield projects beyond 74% is permissible through government approval route.

#### ***Foreign Trade (Development and Regulation) Act, 1992 (the “FTA”)***

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (“IEC”) granted by the Director General of Foreign Trade, Ministry of Commerce (“DGFT”). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

#### ***Customs Act, 1962 (the “Customs Act”)***

Under the Customs Act, the Central Government has the power to prohibit either absolutely or subject to such conditions, the import or export of goods of any specified description. Further, the Central Government may specify goods of such class or description, if it is satisfied that it is necessary to take special measures for the purpose of checking the illegal import, circulation or disposal of such goods.

#### ***The Foreign Direct Investment Policy***

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (“DPIIT”) issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular

### **G. OTHER LAWS AND REGULATIONS;**

#### ***Companies Act, 2013***

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, and remuneration of directors, meetings of directors and shareholders, declaration of dividend, the requirements for independent directors, director’s liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies.

#### ***Competition Act, 2002***

The Competition Act, 2002 (“Competition Act”) is an act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Competition Act deals with prohibition of (i) certain agreements such as anti-competitive agreements; and (ii) abuse of dominant position and regulation of combinations. No enterprise or group shall abuse its dominant position in various circumstances as mentioned Competition Act. The Competition Commission of India (“CCI”) is the market regulator in India established in accordance with the provisions of the Competition Act. The prima facie duty of CCI is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. Further, any combinations, such as merger, amalgamation, acquisition or similar arrangement, which meet a certain asset/turnover threshold as prescribed in the Competition Act mandates CCI approval which involves complex filing requirements. CCI has extra territorial jurisdiction, to investigate, order inquiry and pass order, in respect of the acts taken place outside India which has or may have appreciable adverse effect in India.

#### ***Consumer Protection Act, 2019***

The Consumer Protection Act, 2019 (“COPRA, 2019”) has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. COPRA, 2019 provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes’ redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. COPRA, 2019 provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the act include both – monetary penalties for amounts as high as ₹ 50 lakh to imprisonment which may extend to life sentences, for distinct offences under COPRA, 2019.

#### ***The Indian Boilers Act, 1923 (the “Boilers Act”) and the Indian Boiler Regulations, 1950 (the “Boilers***

The Boilers Act inter alia provides that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Boilers Act. Under the Boilers Act, “boiler” means a pressure vessel in which steam is generated for use external to itself by application of heat which is wholly or partly under pressure when steam is shut off. The Boilers Act also provides for penalties for illegal use of boilers, penalty for breach of rules and other penalties. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

#### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992 the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the 12th Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

#### ***Good and Services Tax (“GST”)***

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“CGST”), relevant state’s Goods and Services Act, 2017 (“SGST”), Union Territory Goods and Services Act, 2017 (“UTGST”), Integrated Goods and Services Act, 2017 (“IGST”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

#### ***Income-tax Act, 1961***

Further, the Income-tax Act, 1961 (the “Income Tax Act”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under 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 those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

#### ***General Laws***

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated on March 15, 1995 as '*Panchdeep Pharmaceuticals Limited*', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Our Company has received Certificate of Commencement of Business on March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Subsequently, pursuant to a resolution passed by the Board of Directors in their meeting held on July 31, 1995 and by the Shareholders in their EGM held on October 14, 1995, the name of our Company was changed to '*Medicamen Organics Limited*' and a fresh certificate of incorporation dated November 14, 1995 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. The corporate identification number of our Company is U74899DL1995PLC066416.

The Pioneer, Promoter and Managing Director of our company, Mr. Bal Kishan Gupta, the promoter and Whole Time Director Mr. Ashutosh Gupta and our executive director Mr. Shailesh Guar have played a pivotal role for our Company's growth and success. Our promoter and directors have a combined experience of decades in the pharmaceutical products. Driven by the passion for building an integrated pharmaceutical company, backed by best quality and impeccable documentation, our Promoter has been the pillar of our Company's growth and has built a strong value system for our Company. With his enriching experience and progressive thinking, we aim to continue to grow in the pharmaceutical industry.

### **Change in registered office of our Company**

The registered office of our Company at the time of incorporation was situated at 10, Community Centre No. 2, Ashok Vihar Phase – II, Delhi – 110052, Delhi, India. There have been no changes made to our Registered Office post incorporation of our Company.

### **Factories**

Our company has two manufacturing units located as follows:

Unit-1- 60, Sector 6A, I.I.E. Sidcul, Ranipur, Haridwar-249403, India

Unit-2- 61, Sector 6A, I.I.E. Sidcul, Ranipur, Haridwar-249403, India

### **Main Objects of our Company**

The main objects of our Company are as follows:

1. To carry on business as manufactures, importers, exporters, traders, distributors, commission agents, indenting agents, selling agents, representatives and dealers in all types of basic and bulk drugs, chemicals and their intermediates patents medicines, pharmaceuticals formulations, remedies, vaccines and phytopharmaceutical products and preparations, sera, immunogens, phylocagoens and biological products, parental, LV. fluids, vialing, bottling, packing, repacking and processing of capsules, syrups, tablets, injectable, aerosols and ointment, spirits, sprays, fertilisers, disinfectants, insecticides, pesticides, germicides, surgical dressings, soaps, perfumery, hygienic articles, food supplement, nutraceutical and confectionery products, hard Candies, jelly, hospital requisite and toilet preparation, cosmetic instruments, implements and tools and articles intended for or capable of being used in or connected with the business of company as aforesaid.
2. To carry on the business of manufacturing drugs and medicines on behalf of others.

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:



Date of shareholder's resolution	Nature of amendments
October 14, 1995	The name of our Company was changed from 'Panchdeep Pharmaceuticals Limited' to 'Medicamen Organics Limited'. Clause I of the MoA was amended to reflect the new name of our Company.
November 15, 1995	The object clause of the company is amended by passing special resolution to delete the sub clause 1 of clause III(A) of MOA. In the third line of sub clause 2 of clause III (A) of MOA after the words "basics and bulk drugs" the words "chemicals and their intermediates, shall be inserted and the number of clause 2 to be changed to sub clause 1, consequent to deletion of the sub clause 1 of clause III(A) of the MOA, number of sub clause 3 to be changed to sub clause 2.
March 12, 2008	Clause V of the MOA was amended to reflect the increase in the authorised share of our Company from ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each to ₹ 1,00,00,000 consisting of 10,00,000 Equity Shares of ₹ 10 each.
December 31, 2009	Clause V of the MOA was amended to reflect the increase in the authorised share of our Company from 1,00,00,000 consisting of 10,00,000 Equity Shares of ₹ 10 each to ₹ 2,00,00,000 consisting of 20,00,000 Equity Shares of ₹ 10 each.
March 21, 2016	The object clause of the company is amended by passing special resolution, the words "food supplement, nutraceutical and confectionery products" to the clause (1) of Para (A) of MOA were added.
January 08, 2018	Clause V of the MOA was amended to reflect the increase in the authorised share of our Company from ₹ 2,00,00,000 consisting of 20,00,000 Equity Shares of ₹ 10 each to ₹ 6,00,00,000 consisting of 60,00,000 Equity Shares of ₹ 10 each.
January 30, 2023	Clause V of the MOA was amended to reflect the increase in the authorised share of our Company from ₹ 6,00,00,000 consisting of 60,00,000 Equity Shares of ₹ 10 each to ₹ 8,00,00,000 consisting of 80,00,000 Equity Shares of ₹ 10 each
December 11, 2023	Clause V of the MOA was amended to reflect the increase in the authorised share of our Company from ₹ 8,00,00,000 consisting of 80,00,000 Equity Shares of ₹ 10 each to ₹ 14,00,00,000 consisting of 1,40,00,000 Equity Shares of ₹ 10 each

### Corporate profile of our Company

For details regarding the description of our Company's activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 101, 139 and 165 respectively, of this Red Herring Prospectus.

### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
1995	Our Company was incorporated as a Public Limited company under the name "Panchdeep Pharmaceuticals Limited" and later the company has changed its name from "Panchdeep Pharmaceuticals Limited" to "Medicamen Organics Limited".
1996	We started with trading of pharmaceuticals for supplies to various Government departments.
1998- 2007	We took loan license with 'M/s Rhydurg Pharmaceuticals', a unit situated in Kundali across the border of Delhi and started getting product manufactured for our marketing.
2007	We purchased a plot of land measuring 1200 square meter from SIDCUL Industrial Authority in Haridwar and started construction for our own pharma unit. The construction of three-storeyed building (including basement measuring 15000 sq. feet was completed and we got our own manufacturing license for tablets, capsules, oral liquids in form 25 and 28 and started our own production in the same year (UNIT-I)
2007	We received WHO/GMP Certificate for Unit I which is valid till today
2010	We applied for a license for manufacturing of food supplements, like protein powders, vitamin tablets and syrups etc. and got our first license
2017	We received WHO/GMP Certificate for Unit I which is valid till today

Year	Events
2017	We got an opportunity to purchase one readymade adjacent unit to shift our food production in a separate unit. We got our first license in this Unit and tied up with renowned Pharma company for one of their renowned products for manufacturing in our plant. This unit was termed as (UNIT-II)
2017	We stopped production of general pharma products in Unit-I and converted it into a unit for exclusive production of Iron Tablets because of its huge world-wide demand. For this purpose, we entered into a joint venture with one Denish Company and gave them authority for worldwide export of our Iron Products. The joint venture company, in turn, got 50% equity in our company. In the year 2017, we reconstructed Unit-II and created 20000 sq. feet area for production of tablets, capsules, oral liquids, ointments and dry power, veterinary medicines, etc. and we got our first license for pharma in this unit.

## Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

Year	Events
2015	ISO 9001:2015 - Manufacture and Supply of Food Supplement for Human use and Non Beta Lactum Tablets, Capsules, Liquid and Ointments (Unit II)
2015	ISO 9001: 2008 Manufacture and Supply of Food Supplement for Human Use (Unit II)
2010	ISO 9001: 2008 (Quality Management System)
2018	ISO 9001:2015 certified company (Unit I) Manufacture and Supply of Tablets, Capsules and Liquid Orals for both Domestic and Export Market.

## Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

## Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

## Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years:

## Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares by capitalizing its revaluation reserves in the last ten years.

## Holding Company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

## Subsidiaries of our Company

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries.

## Associate or Joint ventures of our Company

As on the date of this Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

## Strategic and Financial Partners

As on date of this Red Herring Prospectus our Company does not have any strategic and financial partners.

## **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us and except as disclosed below:

Our Promoter Bal Krishan Gupta, (“**Sellers**”) has entered into share purchase agreement dated September 16, 2015 (“**SPA**”) with Shivalik Rasayan Limited (“**SRL**”) whereby the Sellers sold their shareholding in ‘Medicamen Biotech Limited’ (“**MBL**”), a public limited Company to SRL, along with the control over the affairs of the Company. MBL owns the trademark ‘Medicamen Biotech Limited’ and through the SPA, SRL allowed our Company to continue to use the term “Medicamen” for a normal consideration of ₹ 5,000 per annum.

## **Agreements with Key Managerial Personnel or a director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

## **Guarantees given by Promoters offering its shares in the Offer for Sale**

This is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

## **Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

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## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be more than 15. As on date of this Red Herring Prospectus, we have Seven (07) Directors on our Board, which includes one (01) Managing Director, one (01) Whole-time Director, one (01) Executive Director, one (01) Non-Executive Director and three (03) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Bal Kishan Gupta</b> <b>DIN:</b> 00032772 <b>Date of Birth:</b> December 13, 1952 <b>Designation:</b> Chairman and Managing Director <b>Address:</b> B-4 Satyawati colony Ashok Vihar phase 3 Delhi - 110052. <b>Occupation:</b> Business <b>Term:</b> For a period of Five (05) years with effect from December 07, 2023 until December 06, 2028 <b>Period of Directorship:</b> Director since March 15, 1995 <b>Nationality:</b> Indian	71	<i>Indian Companies</i> 1. Redline Health Care Private Limited  <i>Foreign Companies</i> Nil  <i>Limited Liability Partnerships</i> 1. Jasbal Pharma LLP
<b>Ashutosh Gupta</b> <b>DIN:</b> 00039995 <b>Date of Birth:</b> November 19, 1980 <b>Designation:</b> Whole-Time Director <b>Address:</b> B-4 Satyawati colony, Ashok Vihar phase 3 Delhi – 110052 <b>Occupation:</b> Business <b>Term:</b> For a period of Five (05) years with effect from May 01, 2021 until April 30, 2026 <b>Period of Directorship:</b> Director since May 02, 2016 <b>Nationality:</b> Indian	43	<i>Indian Companies</i> 1. Dreamax Healthcare Private Limited 2. Redline Health Care Private Limited 3. Easy Technosoft Private Limited 4. India Brazil Chamber of Commerce  <i>Foreign Companies</i> Nil  <i>Limited Liability Partnerships</i> 1. Orgomed Healthcare LLP 2. Panache Lifecare LLP 3. Orgomed Lifecare LLP
<b>Shailesh Harimohan Gaur</b> <b>DIN:</b> 08673822 <b>Date of Birth:</b> February 11, 1969 <b>Designation:</b> Executive Director <b>Address:</b> 06, Haridwar Road, Behind Roorkee Public School, Sherpur, Haridwar-247667 <b>Occupation:</b> Professional <b>Term:</b> Liable to retire by rotation	55	<i>Indian Companies</i> Nil  <i>Foreign Companies</i> Nil  <i>Limited Liability Partnerships</i> Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Period of Directorship:</b> Director since December 31, 2020 <b>Nationality:</b> Indian		
<b>Rakesh Kumar</b> <b>DIN:</b> 10435938 <b>Date of Birth:</b> February 05, 1971 <b>Designation:</b> Independent Director <b>Address:</b> 13/5 2 <sup>nd</sup> Floor, Shakti Nagar, VTC. Shakti Nagar, PO. Malka Ganj, Delhi-110007 <b>Occupation:</b> Professional <b>Term:</b> For the term of 5 years commencing from December 22, 2023 to December 21, 2028 <b>Period of Directorship:</b> Director since December 22, 2023 <b>Nationality:</b> Indian	53	<i>Indian Companies</i> Nil <i>Foreign Companies</i> Nil <i>Limited Liability Partnerships</i> Nil
<b>Rajinder Kumar Gupta</b> <b>DIN:</b> 00145937 <b>Date of Birth:</b> November 10, 1949 <b>Designation:</b> Independent Director <b>Address:</b> M-3 Satyawati Colony, Ashok Vihar Phase-3, Delhi -110052 <b>Occupation:</b> Self employed <b>Term:</b> For the term of 5 years commencing from December 22, 2023 to December 21, 2028 <b>Period of Directorship:</b> Director since December 01, 2023 <b>Nationality:</b> Indian	74	<i>Indian Companies</i> Nil <i>Foreign Companies</i> Nil <i>Limited Liability Partnerships</i> Nil
<b>Sneh Gaur</b> <b>DIN:</b> 10412126 <b>Date of Birth:</b> July 07, 1973 <b>Designation:</b> Non-Executive Director <b>Address:</b> House No. 06, Haridwar Road, Behind Roorkee public school, Sherpur, Haridwar, Uttarakhand-247667 <b>Occupation:</b> Service <b>Term:</b> Liable to retire by rotation <b>Period of Directorship:</b> Director since December 8, 2023 <b>Nationality:</b> Indian	50	<i>Indian Companies</i> Nil <i>Foreign Companies</i> Nil <i>Limited Liability Partnerships</i> Nil

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<b>Sachin Gupta</b> <b>DIN:</b> 10412134 <b>Date of Birth:</b> January 17, 1981 <b>Designation:</b> Independent Director <b>Address:</b> C-12, Satyawati colony, Ashok Vihar Phase-3, North West Delhi-110052 <b>Occupation:</b> Service <b>Term:</b> For the term of 5 years commencing from December 22, 2023 to December 21, 2028 <b>Period of Directorship:</b> Director since December 01, 2023 <b>Nationality:</b> Indian	43	<i>Indian Companies</i>  Nil  <i>Foreign Companies</i>  Nil  <i>Limited Liability Partnerships</i>  Nil

#### Brief Biographies of our Directors

**Bal Kishan Gupta**, Indian National, aged 71 years, is the Promoter of our Company. He is the Chairman and Managing Director of our Company. He holds a bachelor of Arts degree. He has more than 35 years of experience in manufacturing, exports and distribution of pharmaceutical products. He has been associated with our Company since inception and is responsible for expanding business horizons, corporate strategy, leadership and management, financial performance across verticals, stakeholder relations, innovation and growth, identifying new opportunities and risk management of our Company. He has been General Secretary of IDMA (India Drugs Manufacturers Associations), it is the most reputed association in India for pharmaceutical manufactures.

**Ashutosh Gupta**, Indian National, aged 43 years, is a Whole-time Director of our Company. He holds the degree of Bachelor of Business Administration from Guru Jambheshwar University, Hissar. He has experience in this field of 18 years he earlier worked with listed Company names Medicamen Biotech Limited and later joined Medicamen Organics Limited. He has been awarded with the degree of Honorary Doctorate in contribution in Export of Pharma Industry in the year 2021. He has been Chairman of Pharmexcil (Pharmaceuticals Export Promotion Council of India) from 2014-2016, a Government of India Council, specifically created for promotion of pharmaceutical exports from India.

**Shailesh Harimohan Gaur**, Indian National, aged 55 years, is an Executive Director of our Company. He holds the degree of Bachelor of Science and Master of Business Administration (MBA) awarded by National Institute of Business Management. He holds more than 33 years of experience as per the below mentioned details as:

Sl. No.	Company/ LLP	Period	Position
1	P.C.I. Pharmaceuticals Private Limited	January 06, 1990 to June 30, 1992	Jn. Production Chemist
2	Gufic Pharma Private Limited	July 01, 1992 to April 03, 1993	Assistant Production Chemist
3	P.C.I. Pharmaceuticals Private Limited	April 04, 1993 to June, 1996 June, 1996 to September 19, 1999	Production Officer Tablet Department
4	Aglowmed Limited	July 20, 2000 to December 14, 2004 December 15, 2004 to October 06, 2006	Production Officer Production Executive
5	Aroma Remedies	October 08, 2006 to March 31, 2007	Production Manager
6	RFCL Limited	April 02, 2007 to April 18, 2009	Assistant Production Manager
7	Mediforce Healthcare Private Limited	April, 2009 to April, 2021	Plant Manager

8	Coronet Labs Private Limited	May 01, 2011 to January 31, 2016	General Manager Operation
9	HYS Life Care LLP	April 01, 2016 to April 25, 2017	Head Production

He has undergone Diploma programme in Production Management. He has a vast experience of more than 33 years in pharmaceutical manufacturing, pharmaceutical projects, installation, validations, Research and Development of different pharmaceutical formulations. His current key functional areas are Production Planning and Inventory Control (PPIC), various audits etc.

**Rakesh Kumar**, Indian national, aged 53 years, is an Independent Director of our Company. He is owner of M/s A.R. Associates, a proprietary concern dealing in preparation of financial statements, tax consultancy, legal advice and audit of balance-sheet, etc. He prepares returns, represents clients before the tax authorities and provides general tax advice to his clients. He is into this business for the last 25 years and is very successful in his profession. He has been appointed as an Independent Director in the company and his qualification and experience will be of great help in managing the financial affairs of the company.

**Rajinder Kumar Gupta**, an Indian National, aged 74 years, is an Independent Director of our Company. He has more than four decades of expertise in the field of Finance, assessing business risk, capital market, and organizational transformation. He is a graduate of one of the most prestigious Shri Ram College of Commerce, Delhi. He further honed his skills by completing M.Com from Delhi University, Delhi. Furthermore, he has completed several professional courses in the area of banking from the Indian Institute of Bankers, Mumbai, and the Institute of Bankers, London. Retired from the State Bank of India (SBI), a leading financial institution, where he served with distinction. He also served as a board member of other companies in similar spaces also currently holding up the position of a financial advisor for multiple organizations.

**Sneh Gaur**, Indian National, aged 50 years, is a Non-Executive Director of our Company. She holds Bachelor of Science/Diploma in computer management—DOEAC -A Level. She has around 8 years working experience as a microbiologist. She also had a good experience in IT sector. She is a qualified faculty (DOEAC A Level) in IT from National Institute of Electronics and Information. She has worked in Medicamen Organics Limited as an Executive Admin in the fields of Cross-cultural experience in purchase, sourcing, logistics and supply chain in the pharmaceutical segment and rich experience in general administration.

**Sachin Gupta**, Indian national, aged 43 years, is an Independent Director of our Company. He holds the degree of Chartered Financial Analyst (CFA), B. Com (H) and Master of Financial Analysis. Having more than two decades of experience, he is a seasoned financial professional well-versed in financial control, reporting, and project management. His diverse career includes roles in various multinational companies where he acquired extensive expertise in overseeing financial reporting and control functions. With his comprehensive background, we foresee his valuable contributions to the success of our company. He is working in Natwest Digital Services India Private Limited, the role of Associate in Global Finance Services.

#### **As on the date of the Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.



## Relationship between our Directors

Name of Director	Designation	Relation
Bal Kishan Gupta	Managing Director	Father of Ashutosh Gupta, our Whole Time Director
Ashutosh Gupta	Whole Time Director	Son of Bal Kishan Gupta, our Managing Director and Chairman
Shailesh Gaur	Executive Director	He is spouse of Sneh Gaur
Sneh Gaur	Non-Executive Director	She is spouse of Shailesh Gaur

## Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

## Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

## Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

## Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an -special resolution passed at the Extra-Ordinary General Meeting held on December 08, 2023, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 50,000 lakhs.

## Terms of appointment and remuneration of our Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on December 07, 2023 and approved by the Shareholders of our Company at the EGM held on December 08, 2023, Bal Kishan Gupta was appointed as the Managing Director of our Company for a period of five (05) years with effect from December 07, 2023 until December 06, 2028 along with the terms of remuneration, in accordance with Sections 197 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Salary per month shall be INR 99,914/- (Rupees Ninety Nine Thousand Nine hundred and Fourteen only). The salary may progressively go up subject to his performance and industry trends.
<b>Perquisites</b>	<p>Mr. Bal Kishan Gupta shall continue to be eligible for perquisites (evaluated as per Income-tax rules wherever applicable and otherwise at actual cost to the Company) as provided in the Agreement for Appointment of Managing Director.</p> <p>Commission: In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company, subject to the overall ceiling stipulated in Sections 197 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment/ modification in the Rules, Act and/or applicable laws in this regard) may also be paid to him.</p>

## Terms of appointment and remuneration of our Whole-time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on December 17, 2020 and approved by the Shareholders of our Company at the EGM held on December 31, 2020, Ashutosh Gupta was appointed as the Whole-time Director of our Company for a period of five (05) years with effect from May 01, 2021 until April 30, 2026 along

with the terms of remuneration, in accordance with Sections 197 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Salary of Rs. 60,500/ per month. The annual increment will be effective from 1 April each year. The Board may revise this pay scale from time to time taking into account the company's performance.
<b>Perquisites</b>	<p>The Company shall contribute (a)12% P.F. on basic</p> <p>The Company shall pay gratuity at the rate of half a month's salary for each completed year of service and encashment of leave at the end of tenure and thus shall not be calculated in the computation of limit for the remuneration or perquisites.</p> <p>The total perquisites shall not exceed Three months Salary in a year.</p> <p>The Whole Time Director of the Company shall be entitled to Leave Travel Allowance for herself and her family once in a block of Two years, the expenditure incurred on it will be restricted to one month's salary of the Whole Time Director.</p>

### Remuneration details of our directors

#### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2023 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lakhs)
1.	Bal Kishan Gupta	13.20
2.	Ashutosh Gupta	7.80
3.	Shailesh Harimohan Gaur	7.23

Our Executive Directors were not paid sitting fee in Fiscal 2023 for attending meetings of the Board of Directors and its committees.

#### (ii) Sitting fee details of our Non-Executive Director and Independent Directors

Our Board of Directors in their meeting held on December 07, 2023 have fixed the following sitting fee per meeting for the Non-Executive Independent Directors of our Company, for attending meetings of the Board of Directors and its committees:

S. No.	Name of the Director	Sitting Fee (in Rs)
1.	Rakesh Kumar	10,000
2.	Rajinder Kumar Gupta	10,000
3.	Ms. Sneh Gaur	50,000
4.	Sachin Gupta	10,000

### Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

### Remuneration paid to our Directors by our Subsidiary

As on the date of this Red Herring Prospectus, our Company does not have a subsidiary.

## Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Red Herring Prospectus.

## Shareholding of our Directors, Key Managerial Personnel and Senior Management Personnel in our Company

Except as stated below, none of our directors, KMP and SMP holds any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Bal Kishan Gupta	61,02,650	70.96
2)	Ashutosh Gupta	5,87,400	6.83

\* Our Articles of Association do not require our directors to hold any qualification Equity Shares in the Company.

## Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Bal Kishan Gupta is the Promoter of our Company and may be deemed to be interested in the promotion of our Company to the extent he has promoted our Company. Except as stated above, our directors have no interest in the promotion of our Company other than in the ordinary course of business. Our directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives 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 this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 160 and 153, respectively of this Red Herring Prospectus, our directors are not interested in any other company, entity or firm.

Except as stated in “*Restated Financial Information – Related Party Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 160 of this Red Herring Prospectus, our directors do not have any other interest in the business of our Company.

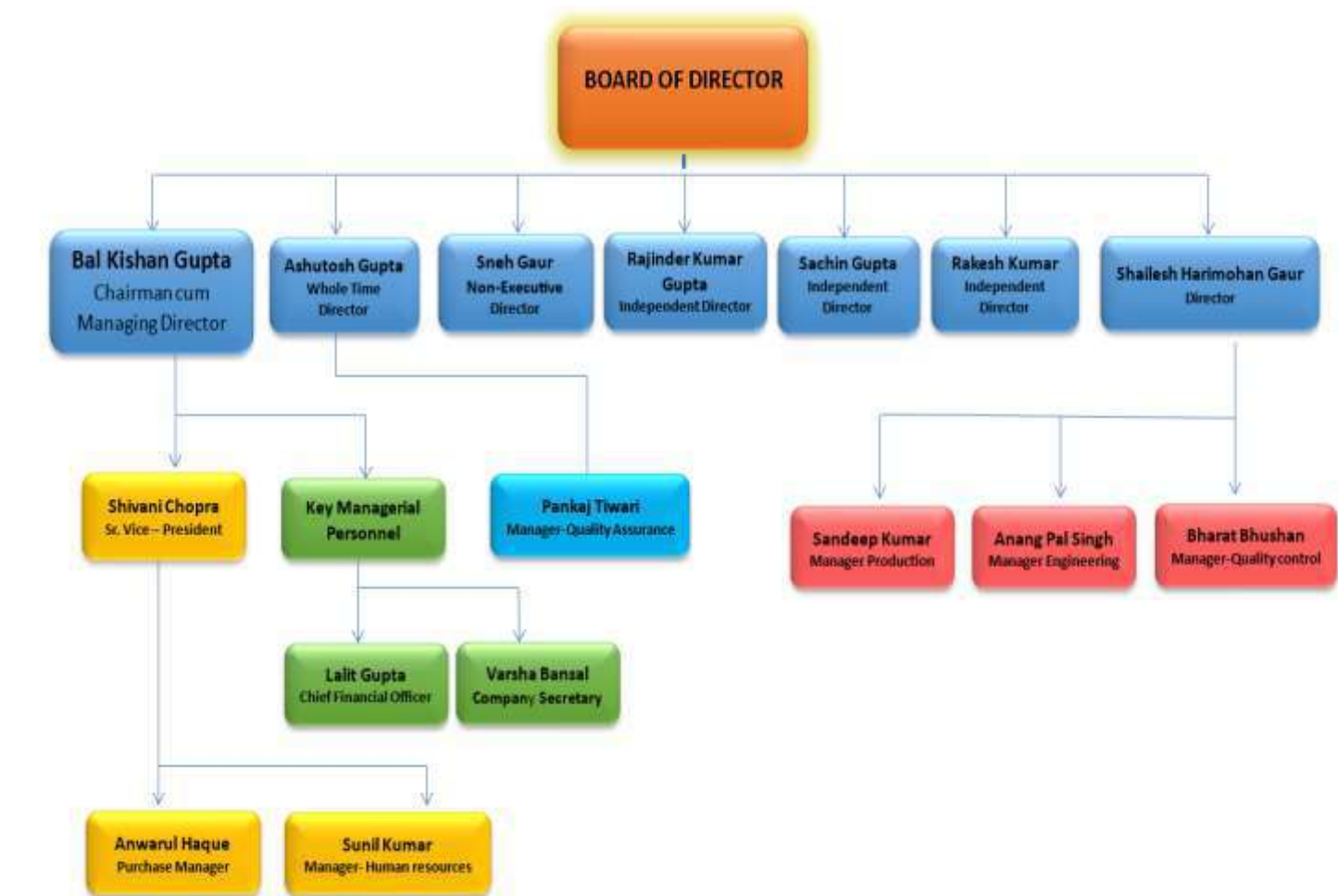
Our Chairman and Managing Director, Bal Kishan Gupta along with Mr. Ashutosh Gupta have extended personal guarantees to secure the loans availed by our Company. Further, Bal Kishan Gupta is also a co-borrower in the vehicle loans availed by our Company. For further details, please refer to “*Financial Indebtedness*” on page 162 of this Red Herring Prospectus.

## Interest as to property

Our directors do not have any interest in any property acquired or proposed to be acquired by our Company.

## ORGANISATION STRUCTURE:

Set forth is the management organization structure of our Company:



#### Bonus or Profit-Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit-sharing plan.

#### Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Hukam Chand Sharma	-	August 31, 2021	Resignation due to personal reason
Sachin Gupta	December 01, 2023		Appointed as Additional Director
Rajinder Kumar Gupta	December 01, 2023		Appointed as Additional Director
Sneh Gaur	December 01, 2023		Appointed as Additional Director
Bal Kishan Gupta	December 07, 2023	-	Change in designation from Whole Time Director to Managing Director
Shailesh Gaur	December 07, 2023	-	Change in designation from Whole Time Director to Executive Director
Rajinder Kumar Gupta	February 19, 2023		Regularisation of Additional (Independent) Director as Independent Director
Sachin Gupta	February 19, 2023		Regularisation of Additional (Independent) Director as Independent Director
Shailesh Harimohan Gaur	December 08, 2023		Change in designation from Whole Time Director to Executive Director
Sneh Gaur	December 08, 2023		Regularisation of Additional Director as

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
			Non-Executive Director
Rakesh Kumar	February 19, 2023		Regularisation of Additional (Independent) Director as Independent Director

### Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee; and
- Initial Public Offer Committee.

Details of each of these committees are as follows:

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated December 07, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sachin Gupta	Chairperson	Non-Executive Independent Director
Rajinder Kumar Gupta	Member	Non-Executive Independent Director
Ashutosh Gupta	Member	Whole Time Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

### **The scope of Audit Committee shall include but shall not be restricted to the following:**

- Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public

issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Management letters/letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
6. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and



terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least two times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on December 07, 2023. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sachin Gupta	Chairman	Non-Executive Independent Director
Rajinder Kumar Gupta	Member	Non-Executive Independent Director
Sneh Gaur	Member	Non-Executive Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devising a policy on diversity of Board of Directors.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
7. recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on December 07, 2023. As on the date of this Red Herring Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sachin Gupta	Chairman	Non-Executive Independent Director
Sneh Gaur	Member	Non-Executive Director



Ashutosh Gupta	Member	Whole Time Director
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Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the listed entity 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Stakeholders' Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### Initial Public Offer Committee

Our Initial Public Offer Committee was constituted on December 07, 2023. The Initial Public Offer Committee comprises of the following members:

Name of the Director	Designation in the Committee	Nature of Directorship
Bal Kishan Gupta	Chairperson	Managing Director
Ashutosh Gupta	Member	Whole-time Director
Sneh Gaur	Member	Non-Executive Director

#### Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

#### Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

#### Our Key Managerial Personnel

In addition to our Managing Director, whose details have been provided under paragraph above titled '**Brief Profile of our Directors**', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Varsha Bansal**, aged 33 years, is the Company Secretary and Compliance Officer of our Company. She is an associate member of Institute of Company Secretaries of India. She has been associated with our Company since December 19, 2023 at a remuneration of ₹ 1.63 lakhs per annum. She is having an experience of more than 3.5 years in the field of corporate governance, compliance, and company secretarial practices. She has worked in Celcor Gadgets Limited, gained valuable insights into the specific challenges and requirements of different sectors. She is a highly skilled and experienced company secretary who plays a crucial role in ensuring the company's compliance with legal and regulatory requirements, fostering good governance practices, and supporting the board of directors in making informed decisions.

**Lalit Gupta**, aged 32 years, is the Chief Financial Officer of our Company. He is having an experience of more than 04 years in the field of corporate governance, compliance, and company secretarial practices. He has attended University of Delhi to pursue bachelor's degree in commerce. He has also attended the Indira Gandhi National Open University to pursue master's degree in commerce. He has been associated with our Company since July 16, 2019, in the capacity of Chief Manager – Finance and Legal of our Company. He was appointed as the Chief Financial Officer of our Company with effect from December 01, 2023 at a remuneration of ₹ 7.80 Lakhs per annum. He shall be heading the finance and accounts division of our Company.

All our Key Managerial Personnel are permanent employees of our Company.

### **Our Senior Managerial Personnel**

In addition to our Managing Director, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*' and '*Our Key Managerial Personnel*', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Red Herring Prospectus:

**Anwarul Haque**, aged 35 years, is Purchase Manager of our Company. He holds bachelor's degree in Arts. He has also completed diploma in Desk Top Publishing from the reputed institute. He has been associated with our Company since June 01, 2018. He is responsible for designing, getting approved the designs from the clients and placement of orders for printed packing material to the vendors and pursuing the supplies of the same with the vendors. During Fiscal Year 2023, he has drawn remuneration of ₹ 5.00 lakhs per annum.

**Sunil Kumar**, aged 38 years, is Human Resource Manager of our Company. He holds the degree of Master of Business Administration in Human Resources. He has been associated with our Company since February 01, 2011. He is responsible for day to day administrative work and handling of contractual labour. During Fiscal Year 2023, he has drawn remuneration of ₹ 6.30 lakhs.

**Sandeep Kumar**, aged 48 years, is Production Manager of our Company. He is a Science Graduate. He has been associated with our Company since December 01, 2023 and is heading the production team at plant. All formulation/manufacturing activities are being controlled by him in production department. During Fiscal year 2023, he has drawn remuneration of 8.22 lakhs.

**Anang Pal Singh**, aged 47 years is an Engineering Manager of our Company. He holds the degree of diploma in Electrical Engineering, Computer Application and bachelors in Electrical Polytechnic. He has over two decades of experience in pharmaceutical engineering. He has been associated with our company since February 01, 2018 and works on preventive and other maintenance equipment and machinery at the plant. During the Fiscal Year 2023, he has drawn remuneration of ₹ 5.29 lakhs.

**Bharat Bhushan**, aged 40 years, is Quality Control Manager of our Company. He holds degree of M. Sc. (Pharmaceutical chemistry). He has more than 15 years of experience in this industry. He has been associated with our Company since December 01, 2023 and is responsible for Quality Control, conducts GLP training, inspection, preparation and implementation of SOPs. etc. His team is responsible for analysis of all input materials and finished products. During Fiscal Year 2023, he has drawn remuneration of ₹ 9.82 lakhs.

**Pankaj Tiwari**, aged 40 years is a Manager- Quality Assurance of our Company. He holds degree of Bsc. and has done diploma in Pharmacy. He has been associated with our company since June 01, 2016. He is responsible to handle all quality audits and correspondence with various customers as well food and drug administration department. During the Fiscal Year 2023, he has drawn remuneration of ₹ 8.30 lakhs.

### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

Except as disclosed under the heading "*Relationship between our Directors*" herein above, none of the key managerial personnel and Senior Management are related to each other or to our Promoters or to any of our directors.

### **Shareholding of the Key Managerial Personnel and Senior Management**

None of the Key Management Personnel and Senior Management hold shareholding in our Company except as disclosed under the heading "*Shareholding of our Directors, Key Managerial Personnel and Senior Management Personnel in our Company*" herein above.

### **Bonus or Profit-Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit-sharing plan.

### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

### Interest of Key Managerial Personnel and Senior Management

Except as disclosed in this Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### Changes in Key Managerial Personnel and Senior Management in the Last Three Years

In addition to the changes specified under “- *Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Red Herring Prospectus:

Name	Designation	Date of change	Reason
Varsha Bansal	Company Secretary and Compliance Officer	December 19, 2023	Appointment
Lalit Gupta	Chief Financial Officer	December 01, 2023	Appointment
Sandeep Kumar	Production Manager- Senior Management Personnel	December 01, 2023	Appointment
Bharat Bhushan	Quality Control Manager- Senior Management Personnel	December 01, 2023	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

### Employees' Stock Option Plan

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### Loans taken by Directors / Key Management Personnel and Senior Management

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Red Herring Prospectus.

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## OUR PROMOTER AND PROMOTER GROUP

As on the date of this Red Herring Prospectus, our Promoter holds 66,90,050 Equity Shares, constituting 77.79% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, please refer chapter titled “*Capital Structure*” beginning on Page No. 62 of this Red Herring Prospectus.

### **Details of our Promoters**

	<p><b>Bal Kishan Gupta</b></p> <p>Bal Kishan Gupta, aged 72 years, is the Promoter, Chairman and Managing Director of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” beginning on Page No. 139 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> December 13, 1952</p> <p><b>Age:</b> 71 years</p> <p><b>No. of Equity Shares &amp; % of Shareholding (Pre-Issue):</b> 61,02,650 Equity Shares, constituting 70.96% of our pre – Issue capital</p> <p><b>Permanent account number:</b> AADPG2123K</p> <p><b>Address:</b> B-4 Satyawati colony Ashok Vihar phase 3 Delhi - 110052.</p> <p><b>Other Ventures:</b> 1. Redline Health Care Private Limited 2. Jasbal Pharma LLP</p>
	<p><b>Ashutosh Gupta</b></p> <p><b>Ashutosh Gupta, Aged 43 Years. Is the Promoter and Whole-Time Director of our Company</b></p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” beginning on Page No. 139 of this Red Herring Prospectus.</p> <p><b>Date of Birth:</b> November 19, 1980</p> <p><b>No. of Equity Shares &amp; % of Shareholding (Pre-Issue):</b> 5,87,400 Equity Shares, constituting 6.83% of our pre-Issue Capital.</p> <p><b>Permanent account number:</b> AEUPG1712K</p> <p><b>Address:</b> B-4 Satyawati colony Ashok Vihar phase 3 Delhi - 110052.</p> <p><b>Other Ventures:</b></p> <ol style="list-style-type: none"> <li>1. Redline Healthcare Private Limited</li> <li>2. Orgomed Lifecare LLP</li> </ol>

Our Company confirms that the permanent account number, bank account number and passport number, Aadhaar card number and driving license number of our Promoter shall be submitted to NSE at the time of filing this Red Herring Prospectus.

### **Change in Control of our Company**

There has been no change in the control of our Company in the preceding five years.

### **Experience of our Promoter in the business of our Company**

Our Promoter holds experience in the business of our Company. For details in relation to experience of our Promoter in the business of our Company, please refer to the chapter titled “***Our Management***” beginning on Page No. 139 of this Red Herring Prospectus.

### **Interest of our Promoters**

#### *Interest in promotion of our Company*

Our Promoter is interested in our Company to the extent that he has promoted our Company and to the extent of his shareholding in our Company and the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of her relatives in our Company. For details of the shareholding and directorships of our Promoter in our Company, please refer to the chapter titled “***Capital Structure***”, “***Our Management***” and “***Restated Financial Information - Related Party Transactions***” beginning on Page Nos. 62, 139 and 160, respectively of this Red Herring Prospectus.

#### *Interest of Promoters in our Company other than as a Promoter*

Our Promoter, Bal Kishan Gupta (Managing Director) is the director of our Company therefore, may be deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “***Our Management***”, “***Financial Indebtedness***” and “***Restated Financial Information - Related Party Transactions***” beginning on Page No. 139, 162 and 160, respectively, our Promoter does not have any interest in our Company other than as a Promoter.

No sum has been paid or agreed to be paid to our Promoter or to the firms or companies in which our Promoter is interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoter or by such firms or companies in connection with the promotion or formation of our Company.

#### *Interest in the properties of our Company*

Except as disclosed in the section “***Our Business- Details of Immovable Property***” and “***Financial Information***” and the chapter titled “***Restated Financial Information - Related Party Transaction***” beginning on Page No. 123 and 160, our Promoter is not interested in the properties acquired by our Company in the three years preceding the date of filing of this Red Herring Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

### **Other Interest and Disclosures**

Except as stated in this section and the chapters titled “***Our Management***”, “***Our Business***”, “***Financial Indebtedness***” and “***Restated Financial Information - Related Party Transactions***” beginning on Page No. 139, 101, 163 and 160, our Promoter does not have any interest in our Company other than as a Promoter.

Our Promoter along with members of our Promoter Group, Mr. Bal Kishan Gupta and Ashutosh Gupta have extended personal guarantees to secure the loans availed by our Company. Further, the company has provided company’s property as collateral for securing the secured loans availed by our Company from Axis Bank Limited. For further details, please refer to “***Financial Indebtedness***” on page 162 of this Red Herring Prospectus.

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Payment or benefits to our Promoter and Promoter Group during the last two years**

Mr. Bal Kishan Gupta and Mr. Ashutosh Gupta have received remuneration in their capacities as directors of our Company. For further details, please see the chapter titled “***Restated Financial Information - Related Party Transactions***” on page 160 of this Red Herring Prospectus.

Except as stated in this chapter and in the chapter titled “***Restated Financial Information - Related Party Transactions***” there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the

last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “**Restated Financial Information - Related Party Transactions**” beginning on Page No. 160 of this Red Herring Prospectus.

#### **Litigations involving our Promoter**

Except as stated in this chapter and in the chapter titled “**Outstanding Litigation and Material Development**” beginning on Page No. 180 of this Red Herring Prospectus, there are no litigation involving our Promoter.

Except as stated in this chapter and in the chapter titled “**Restated Financial Information - Related Party Transactions**” there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled “**Restated Financial Information - Related Party Transactions**” beginning on Page No. 160 of this Red Herring Prospectus.

#### **Guarantees**

Our Promoter has not extended any guarantees against the Equity Shares held by him to third parties in respect of our Company and the Equity Shares that are outstanding as on the date of filing of this Red Herring Prospectus.

#### **Details of Companies / Firms from which our Promoter has disassociated in the last three years**

Our Promoter has not disassociated himself from any company/firm during three years preceding the date of this Red Herring Prospectus.

### **OUR PROMOTER GROUP**

In addition to our Promoter, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

#### **Individuals forming part of the Promoter Group:**

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Bal Kishan Gupta</b>	Late Shri Bishambar Dayal	Father
	Late Smt. Bhagwani Devi	Mother
	Ritu Gupta	Spouse
	1. Rakesh Kumar Gupta 2. Nand Lal 3. Moti Ram Aggarwal	Brother
	N.A	Sister
	N.A	Daughter
	Ashutosh Gupta	Son
	Late Parmanand Trehan	Spouse's Father
	Late Bimla Rani	Spouse's Mother
	Surendra Kumar Trehan	Spouse's Brother
	1. Late Neelam Ralhan 2. Poonam Sahi 3. Reema Gulati	Spouse's Sister

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Ashutosh Gupta</b>	Bal Kishan Gupta	Father
	Ritu Gupta	Mother
	Suchita Gupta	Spouse
	N.A.	Brother
	N.A.	Sister
	N.A.	Daughter
	Ishaan Gupta	Son
	Ramesh Garg	Spouse's Father
	Pushpa Garg	Spouse's Mother
	Anish Garg	Spouse's Brother
	N.A.	Spouse's Sister

**Entities forming part of the Promoter Group:**

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Sr. No.	Name of the entity
1.	Redline Healthcare Private Limited
2.	Jasbal Pharma LLP
3.	BK Gupta & Sons HUF
4.	India Brazil Chamber of Commerce
5.	Orgomed Lifecare LLP
6.	Orgomed Healthcare LLP

**Other Confirmations**

Neither our Promoter nor members of the Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoter nor entities forming part of our Promoter Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Red Herring Prospectus against our Promoters.

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## **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated December 26, 2023, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “**Financial Information**” on page 160 of this Red Herring Prospectus .

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, the following companies have been identified and considered as the Group Company of our Company:

- **Redline Health Care Private Limited**

### **A. Details of our Group Company**

#### **Redline Health Care Private Limited**

##### *Registered Office address*

- The registered office of Redline Health Care Private Limited is situated at 10, Community Centre No. 2 Ashok Vihar Phase - 2, North East, New Delhi, India, 110052

##### *Financial Performance*

The Financial Performance of Redline Health Care Private Limited as on the date of this Red Herring Prospectus is as follows:

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Equity capital	165.00	165.00	6.00
Preference Share	0.00	0.00	0.00
Reserves and surplus (excluding revaluation)	7.06	4.37	-2.12
Sales/ Revenue from Operations	0.00	9.98	0.00
Profit/(Loss) after tax	2.69	6.49	-5.63
Earnings per share (₹) (Basic)	0.16	0.39	-9.38
Earnings per share (₹) (Diluted)	0.16	0.39	-9.38
Net Worth available to equity shareholders	172.06	169.37	3.88
Net asset value per share (₹)	1.04	1.02	6.47

### **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

### **C. Common pursuits**

Except for Redline Health Care Private Limited, none of our Group Companies are engaged in the same business as of our Company. For risks relating to the same, please see “**Risk Factors – Our Group Company, Redline Health Care Private Limited may have conflict of interest with us as it is engaged in similar business and may compete with us.** on page 40”.

### **D. Related business transactions within our Group Company and significance on the financial performance of our Company**

Other than the transactions disclosed in “**Restated Financial Information – Annexure XXXIII: Note – Related Party Transactions**” from the chapter titled “**Restated Financial Information**” on Page No. 160 of this Red Herring Prospectus, there are no other related business transactions between our Group Company and our Company.

### **E. Business Interest**

Except as disclosed in the section “**Restated Financial Information – Annexure XXXIII– Related Party**

*Transactions*” from the chapter titled “*Restated Financial Information*” on Page No. 160 of this Red Herring Prospectus, our Group Company has no business interests in our Company.

**F. Nature and extent of interest of our Group Company**

*a) In the promotion of our Company*

Our Group Company does not have any interest in the promotion of our Company.

*b) In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Company is not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

*c) In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Company is not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

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## **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “**Risk Factors**” on Page No. 27 of this Red Herring Prospectus.

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**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Examination Report on Restated Financial Statements for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022	F 1- F5
2.	Restated Financial Statements for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022	F 6 -F 52

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## N C RAJ & ASSOCIATES

Chartered Accountants  
10, Community Centre No.2,  
Ashok Vihar Phase-II,  
Delhi – 110 052  
**Phone:** +911145670059  
**Website:** www.ncraj.com  
**Email:** info@ncraj.com  
**Peer Review No.:** 014034

### Independent Auditor's Report on Restated Financial Statements

To,  
The Board of Directors  
Medicamen Organics Limited  
10 Community Centre No 2  
Ashok Vihar Phase II,  
New Delhi – 110052.

Dear Sir(s),

We have examined the attached restated financial information of **Medicamen Organics Limited** (hereinafter referred to as **"the Company"**) comprising the restated Standalone statement of assets and liabilities as at March 31, 2024, March 31, 2023, and 2022, restated Standalone statement of profit and loss and restated cash flow statement for the financial year/period ended on March 31, 2024, March 31, 2023, and 2022 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the **"restated financial information"** or **"Restated Financial Statements"**) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on EMERGE Platform (**"IPO"** or **"EMERGE IPO"**) of National Stock Exchange of India Limited (**"NSE"**) of the company.

1. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the **"Act"**) read with Companies (Prospectus and Allotment of Securities) Rules 2014.
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (**"ICDR Regulations"**) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (**"SEBI"**).
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (**"Guidance Note"**)
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Red-Herring Prospectus/ Red-Herring Prospectus/ Prospectus (**"Offer Document"**) to be filed with Securities and Exchange Board of India (**"SEBI"**), NSE and Registrar of Companies (Delhi) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. 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 Statements taking into consideration:
- (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed EMERGE IPO;
  - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
  - (iv) 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. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the year ended on March 31, 2024, March 31, 2023, and 2022.
5. Audit for the financial period ended March 31, 2024 was audited by us vide our report dt. 16-05-2024. Audit for the financial year ended March 31, 2023, and March 31, 2022 was conducted by Ashok Sharma & Associates vide report dt. September 7, 2023, and September 3, 2022 respectively. There are no audit qualifications in the audit reports issued by previous auditors and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these period/years is based solely on the report submitted by him.
6. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
- a) Have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year/period ended March 31, 2024, March 31, 2023, and 2022.
  - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
  - c) have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
7. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:





- a) The “**restated Standalone statement of asset and liabilities**” of the Company as at March 31, 2024, March 31, 2023, and 2022 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- b) The “**restated Standalone statement of profit and loss**” of the Company for the financial year/period ended as at March 31, 2024, March 31, 2023, and 2022 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- c) The “**restated Standalone statement of cash flows**” of the Company for the financial year/period ended as at March 31, 2024, March 31, 2023, 2022 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
- d) The company has not specified the capitalization date for its building, resulting in inaccurate accounting for building depreciation.
- e) The Company has mentioned in the Note-1 to Annexure-XLI of the restated financial statements that:  
“The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors exceeding the contractual time-limit as per MSMED Act, 2006”.
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 for the financial year/period ended as at March 31, 2024, March 31, 2023, and 2022, proposed to be included in the Offer Document.

**Annexure to Restated Financial Statements of the Company: -**

- I. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- II. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- III. Summary statement of cash flows as restated as appearing in ANNEXURE III;
- IV. Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and net worth as appearing in ANNEXURE IV;
- V. Details of share capital as restated as appearing in ANNEXURE V to this report;
- VI. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- VII. Details of long-term borrowings as restated as appearing in ANNEXURE VII to this report;
- VIII. Details of deferred tax Liabilities (net) as appearing in ANNEXURE VIII to this report;
- IX. Details of long-term provisions as restated as appearing in ANNEXURE IX to this report;





- X. Details of short-term borrowings as restated as appearing in ANNEXURE X to this report;
- XI. Details of trade payables as restated as appearing in ANNEXURE XI to this report;
- XII. Details of other current liabilities as restated as appearing in ANNEXURE XII to this report;
- XIII. Details of short-term provisions as restated as appearing in ANNEXURE XIII to this report;
- XIV. Details of property, plant & equipment and intangible assets as appearing in ANNEXURE XIV to this report;
- XV. Details of other Long – Term Loans & Advances as restated as appearing in ANNEXURE XV to this report;
- XVI. Details of other non-current assets as restated as appearing in ANNEXURE XVI to this report;
- XVII. Details of inventories as restated as appearing in ANNEXURE XVII to this report;
- XVIII. Details of trade receivables as restated as appearing in ANNEXURE XVIII to this report;
- XIX. Details of cash and cash equivalents as restated as appearing in ANNEXURE XIX to this report;
- XX. Details of short-term loans and advances as restated as appearing in ANNEXURE XX to this report;
- XXI. Details of revenue from operations as restated as appearing in ANNEXURE XXI to this report;
- XXII. Details of other income as restated as appearing in ANNEXURE XXII to this report;
- XXIII. Details of cost of material consumed as restated as appearing in ANNEXURE XXIII to this report;
- XXIV. Details of direct expenses as restated as appearing in ANNEXURE XXIV to this report;
- XXV. Details of changes in inventories of Finished Goods & Work-in-Progress as restated as appearing in ANNEXURE XXV to this report.
- XXVI. Details of employee benefit expenses as restated as appearing in ANNEXURE XXVI to this report;
- XXVII. Details of finance costs as restated as appearing in ANNEXURE XXVII to this report;
- XXVIII. Details of depreciation and amortization expense as restated as appearing in ANNEXURE XXVIII to this report;
- XXIX. Details of other expenses as restated as appearing in ANNEXURE XXIX to this report;
- XXX. Details of bifurcative other income as restated as appearing in ANNEXURE XXX to this report;
- XXXI. Ageing of trade payables as restated as appearing in ANNEXURE XXXI to this report;
- XXXII. Ageing of trade receivables as restated as appearing in ANNEXURE XXXII to this report;
- XXXIII. Details of related party transactions as restated as appearing in ANNEXURE XXXIII to this report;
- XXXIV. Disclosure under AS-15 as restated as appearing in ANNEXURE XXXIV to this report;
- XXXV. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXXV to this report;
- XXXVI. Statement of tax shelters as restated as appearing in ANNEXURE XXXVI to this report;
- XXXVII. Details of contingent liabilities & commitment as restated as appearing in ANNEXURE XXXVII to this report;
- XXXVIII. Details of restated value of imports calculated on C.I.F. basis by the company during the financial year/period as appearing in ANNEXURE XXXVIII to this report;
- XXXIX. Details of expenditure in foreign currency during the financial year/period as restated as appearing in ANNEXURE XXXIX to this report;
- XL. Details of earnings in foreign exchange as restated as appearing in ANNEXURE XL to this report;





- XLI. Details of dues of small enterprises and micro enterprises as restated as restated as appearing in ANNEXURE XLI to this report;
  - XLII. Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013 as restated as appearing in ANNEXURE XLII to this report;
  - XLIII. Capitalisation Statement as at March 31, 2024 as restated as appearing in ANNEXURE XLIII to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with SEBI, NSE and Registrar of Companies (Delhi) in connection with the proposed EMERGE 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 N C RAJ & ASSOCIATES**  
Chartered Accountants  
(FRN: 002249N)

**SANJAY GARG**  
Partner  
Mem. No. 088636  
Date: 20-05-2024  
Place: New Delhi  
UDIN: 24088636BKARIO5579





**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

**ANNEXURE - I**

(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	<b>EQUITY AND LIABILITIES</b>				
1)	<b>Shareholders Funds</b>				
	a. Share Capital	V	860.00	600.00	600.00
	b. Reserves & Surplus	VI	658.40	297.99	201.06
2)	<b>Non - Current Liabilities</b>				
	a. Long-term Borrowings	VII	16.14	32.63	64.11
	b. Deferred tax Liabilities	VIII	118.54	116.49	111.40
	c. Long-term Provisions	IX	21.47	21.61	22.99
3)	<b>Current Liabilities</b>				
	a. Short Term Borrowings	X	1,249.51	1,146.87	960.46
	b. Trade Payables	XI			
	- Due to Micro and Small Enterprises		117.29	125.98	52.24
	- Due to Others		590.67	773.88	678.67
	c. Other Current liabilities	XII	105.93	97.28	44.74
	d. Short Term Provisions	XIII	120.12	45.84	18.12
<b>TOTAL</b>			<b>3,858.07</b>	<b>3,258.57</b>	<b>2,753.79</b>
	<b>ASSETS</b>				
1)	<b>Non Current Assets</b>				
	a. Property, Plant & Equipment and Intangible Assets	XIV			
	- Property, Plant & Equipment		1,033.91	1,085.65	1,127.67
	- Intangible Assets		1.01	1.20	1.40
	- Capital Work-in-Progress		14.63	-	-
	b. Long-term Loans & Advances	XV	46.58	46.58	46.58
	c. Other Non-current assets	XVI	30.72	38.55	35.33
2)	<b>Current Assets</b>				
	a. Inventories	XVII	614.26	613.90	472.18
	b. Trade Receivables	XVIII	1,670.00	1,076.82	624.54
	c. Cash and Bank Balance	XIX	55.30	52.82	43.74
	d. Short term loan and advances	XX	391.66	343.05	402.35
<b>TOTAL</b>			<b>3,858.07</b>	<b>3,258.57</b>	<b>2,753.79</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

As per our attached Report of Even Date

For N C RAJ & ASSOCIATES

Chartered Accountants

PRN : 002249N

DELHI

SANJAY GARG

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

*Bal Krishna Gupta*

Bal Krishna Gupta  
(Managing Director)

DIN - 00032772

For Medicamen Organics Limited

*Lalit Gupta*

Lalit Gupta  
(CFO)

C.F.O.

For MEDICAMEN ORGANICS LTD

*Ashutosh Gupta*

Ashutosh Gupta  
(Director)

DIN - 00039995

For Medicamen Organics Limited

*Varsha Bansal*

Varsha Bansal  
(Company Secretary)



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**STATEMENT OF PROFIT AND LOSS AS RESTATED**

**ANNEXURE - II**  
(₹ In Lakhs)

Sr. No.	Particulars	Annexure No.	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A</b>	<b>INCOME</b>				
	Revenue from Operations	XXI	2,527.17	2,214.71	2,097.52
	Other Income	XXII	1.79	81.53	21.15
	<b>Total Income (A)</b>		<b>2,528.96</b>	<b>2,296.24</b>	<b>2,118.67</b>
<b>B</b>	<b>EXPENDITURE</b>				
	Cost of material consumed	XXIII	1,439.94	1,398.16	1,411.92
	Direct Expenses	XXIV	286.91	241.36	225.41
	Changes in inventories of Finished Goods & Work in Progress	XXV	(146.99)	(59.80)	(71.36)
	Employee benefits expense	XXVI	335.39	316.63	287.36
	Finance costs	XXVII	64.74	61.24	47.32
	Depreciation and amortization expense	XXVIII	71.94	71.16	68.01
	Other expenses	XXIX	138.15	131.52	124.49
	<b>Total Expenses (B)</b>		<b>2,190.08</b>	<b>2,160.27</b>	<b>2,093.15</b>
<b>C</b>	<b>Profit before tax</b>		<b>338.88</b>	<b>135.97</b>	<b>25.52</b>
<b>D</b>	<b>Tax Expense:</b>				
	(i) Current tax	XXXVI	96.42	33.95	3.98
	(ii) Deferred tax expenses/(credit)		2.05	5.09	13.75
	(iii) MAT Credit Entitlement		-	-	(2.35)
	<b>Total Expenses (D)</b>		<b>98.47</b>	<b>39.04</b>	<b>15.38</b>
<b>E</b>	<b>Profit for the year (C-D)</b>		<b>240.41</b>	<b>96.93</b>	<b>10.14</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>				
	i. Basic		<b>3.18</b>	<b>1.62</b>	<b>0.17</b>
	ii. Diluted		<b>3.18</b>	<b>1.62</b>	<b>0.17</b>

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

As per our attached Report of Even Date

For N C RAI & ASSOCIATES

Chartered Accountants

FRN : 002249N

DELHI

SANJAY GANG

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

*Bal Krishna Gupta*

Bal Krishna Gupta  
(Managing Director)

DIN - 00032772

For Medicamen Organics Limited

*Lalit Gupta*

Lalit Gupta

(CFO)

*Ashutosh Gupta*

Ashutosh Gupta  
(Director)

DIN - 00039995

For Medicamen Organics Limited

*Varsha Bansal*

Varsha Bansal

Company Secretary

C.F.O. (Company Secretary)



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**STATEMENT OF CASH FLOW AS RESTATED**

**ANNEXURE - III**

(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash Flow From Operating Activities:</b>			
Net Profit before tax as per Profit And Loss A/c	338.88	135.97	25.52
<b>Adjustments for:</b>			
Finance Cost	64.74	61.24	47.32
Gratuity Provision	2.74	(0.96)	4.25
Amount Written Back	-	(79.10)	(18.82)
Amount Written off	10.11	-	-
Interest Income	(1.34)	(0.81)	(2.33)
Leave Encashment Provision	2.05	1.65	1.53
Loss/(Profit) on sale of fixed assets	-	-	-
Depreciation and Amortisation Expense	71.94	71.16	68.01
<b>Operating Profit Before Working Capital Changes</b>	<b>489.12</b>	<b>189.15</b>	<b>125.48</b>
Adjusted for (Increase)/Decrease in operating assets			
Loans and advances	(48.61)	59.30	(37.41)
Inventories	(0.36)	(141.72)	(206.09)
Trade Receivables	(603.29)	(452.28)	128.37
Other Assets (Including Other Bank Balances)	4.61	(5.11)	(1.37)
Adjusted for Increase/(Decrease) in operating liabilities:			
Trade Payables	(191.90)	248.05	48.13
Other Current Liabilities & Provisions	2.89	49.03	(46.83)
<b>Cash Generated From Operations Before Extra-Ordinary Items</b>	<b>(347.54)</b>	<b>(53.58)</b>	<b>10.28</b>
Net Income Tax paid/ refunded	(21.31)	(4.79)	(6.54)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>(368.85)</b>	<b>(58.37)</b>	<b>3.74</b>
<b>Cash Flow from Investing Activities:</b>			
Purchase of property, plant & equipment and intangible assets (including CWIP)	(34.64)	(28.94)	(61.64)
Sale of property, plant & equipment	-	-	-
Interest Income Received	1.34	0.81	2.33
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(33.30)</b>	<b>(28.13)</b>	<b>(59.31)</b>
<b>Cash Flow from Financing Activities:</b>			
Issue of Shares	60.00	-	-
Securities Premium	120.00	-	-
Proceeds/(Repayment) of Borrowings	286.15	154.93	65.60
Finance Cost Paid	(64.74)	(61.24)	(47.32)
<b>Net Cash Flow from/(used in) Financing Activities: (C)</b>	<b>401.41</b>	<b>93.69</b>	<b>18.28</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(0.74)</b>	<b>7.19</b>	<b>(37.29)</b>
Cash & Cash Equivalents As At Beginning of the Year	44.06	36.87	74.16
Cash & Cash Equivalents As At End of the Year	43.32	44.06	36.87

See accompanying annexures forming part of the restated financial statements (Refer Annexure No. IV to XLIII)

Note: The Cash Flow Statements 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 attached Report of Even Date

For N C R & ASSOCIATES

Chartered Accountants

FRC No: 002249N



SANJAY GARG

(Partner)

Membership No.: 088636

UDIN : 24088636BKARIO5579

Place : New Delhi

Date: 20-05-2024

For and on behalf of the Board of Directors of Medicamen Organics Limited

Organics Limited

*[Signature]*

Bal Kishan Gupta

(Managing Director)

DIN - 00032772

For Medicamen Organics Limited

*[Signature]*

Lalit Gupta

(CFO)

C.F.O.

Varsha Bansal

(Company Secretary)

Ashutosh Gupta

(Director)

DIN - 00039995

For Medicamen Organics Limited

*[Signature]*

Varsha Bansal

(Company Secretary)

Company Secretary

Company Secretary

Company Secretary

Company Secretary

Company Secretary

Company Secretary

Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORK**

**1. CORPORATE INFORMATION**

Medicamen Organics Limited, originally incorporated on March 15, 1995, under the Companies Act, 1956, operated under the name "Panchdeep Pharmaceuticals Limited." Subsequently, on November 14, 1995, the company underwent a name change and became known as "Medicamen Organics Limited."

The corporate identification number of the company is U74899DL1995PLC066416.

The company is engaged in the business of manufacturing & trading of medicines, pharmaceutical formulations, remedies, vaccines and other biological product. The company is selling its product in India and outside India.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS**

The restated summary statement of assets and liabilities of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022 and the related restated summary statement of profits and loss and cash flows for the year/period ended 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 of the Company for the year/period ended on March 31, 2024, March 31, 2023 and March 31, 2022 approved by the Board of Directors of the Company. 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 NSE in connection with its proposed 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 financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

**2.02 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.03 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

**(i) Property, Plant & Equipment**

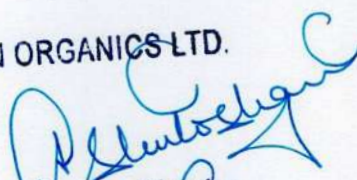
All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

**(ii) Intangible Assets**


Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

For MEDICAMEN ORGANICS LTD.

  
Director

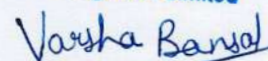
  
Director

For Medicamen Organics Limited

  
C.F.O.



For Medicamen Organics Limited

  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.04 DEPRECIATION / AMORTISATION**

Depreciation on fixed assets is calculated on a Straight Line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase.

Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible assets are amortized on straight line method basis over 10 years in pursuance of provisions of AS-26.

**2.05 INVENTORIES**

Inventory including raw materials, packing materials, Stores and Spares, Work-in-progress & finished goods are valued at lower of cost and net realizable value. Cost includes apportionment of labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location, wherever applicable.

In determining the cost, the first-in-first-out method of valuation is used.

**2.06 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

**2.07 INVESTMENTS:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

**2.08 FOREIGN CURRENCY TRANSLATIONS**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

**2.09 BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

**2.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

Varsha Bansal  
Company Secretary





**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.11 REVENUE RECOGNITION**

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount, rebates, sales taxes and excise duties. Revenue from services is recognized, when services have been performed as per terms of contract, amount can be measured and there is no significant uncertainty as to collection.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for on final settlement.

**2.12 OTHER INCOME**

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

**2.13 TAXES ON INCOME**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**2.14 CASH AND BANK BALANCES**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance ( with original maturity is more than three months but less than twelve months).

**2.15 EARNINGS PER SHARE**

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.16 EMPLOYEE BENEFITS**

**Defined Contribution Plan:**

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

**Defined Benefit Plan:**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*  
CFO



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**2.17 SEGMENT REPORTING**

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 and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. 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".

For MEDICAMEN ORGANICS LTD.



Director



Director



For Medicamen Organics Limited



C.F.O.

For Medicamen Organics Limited

  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**3. NOTES ON RECONCILIATION OF RESTATED PROFITS**

(₹ in Lakhs)

Particulars	For the Year ended March 31 , 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	262.43	125.25	7.83
Adjustments for:			
Interest On FD	-	(0.17)	0.16
Depreciation and Amortization Expense	-	8.86	12.72
Profit on sale of Fixed Asset	-	-	-
Reversal of (Asset)/Liability	-	-	0.46
Prior Period Expense	(104.81)	-	-
Income tax expense	(0.22)	(32.95)	(2.98)
Deferred tax expense	83.01	(3.00)	(9.68)
MAT Credit Entitlement			2.35
Net Profit/ (Loss) After Tax as Restated	240.41	96.93	10.14

**Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:**

- a. Interest on FD :** The Company has booked excess interest on fixed deposits over the years which has now been restated.
- b. Depreciation and Amortization Expense:** The Company has inappropriately calculated depreciation using SLM method and useful life as per Schedule II of Companies Act, 2013 which has now been restated.
- c. Profit on sale of Fixed Asset:** The Company has sold Air conditioner in the year 2020-21 on which gain on sale of asset was booked with the higher amount the same has now been restated in the statement of profit and loss.
- d. Reversal of Asset/Liability :** The Company has not recognised asset or liability wrongly which has now been restated.
- e. Prior-period expenses:** The Company has recognised prior period expenses which has now been restated to respective years.
- f. Income Tax Expense:** The Company has inappropriately calculated income tax liability which has now been restated for restatement adjustment as above and provided for using tax rates related to the respective financial year as per Statement of tax shelters.
- g. Deferred Tax:** The Company has not calculated correctly the deferred tax impact which has now been restated including impact of restatement as above.
- h. MAT Credit Entitlement:** The Company has recognised the MAT credit during the previous years which has now been restated including impact of restatement as above.

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited  
*[Signature]*

C.F.O.



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

**4. NOTES ON RECONCILIATION OF RESTATED NET-WORTH**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Networth as audited (a)	1,525.93	869.12	746.92
Adjustments for:			
Opening Balance of Adjustments	28.87	54.14	-
Reversal of depreciation expenses	-	-	83.42
Reversal of adjustment of provision for Tax	18.12	3.05	(3.05)
Income tax paid for earlier years	-	-	(1.80)
Reversal of Liability	-	-	(0.85)
Income Tax Expense not considered in earlier years	-	-	0.21
Deferred Tax Credit for previous years	-	-	(70.33)
Creation of MAT Credit Entitlement	(32.50)	-	44.23
Change in Profit/(Loss)	(22.02)	(28.32)	2.31
Closing Balance of Adjustments (b)	(7.53)	28.87	54.14
Networth as restated (a +b)	1,518.40	897.99	801.06

**Explanatory notes to the above restatements to networth made in the audited Financial Statements of the Company for the respective years:**

**a. Reversal of depreciation expenses :** The Company has inappropriately calculated depreciation using SLM method and useful life as per Schedule II of Companies Act, 2013 which has now been restated and debited to opening reserves for impact related to period on or before March 31, 2023.

**b. Reversal of adjustment of provision for tax:** The Company has inappropriately adjust the provision for tax from reserves & surplus which is now restated.

**c. Income Tax Paid for earlier years:** The Company has inappropriately calculate the income tax which is now restated.

**d. Reversal of liability :** The Company has wrongly took the liability in the books which is written off during the year.

**e. Income Tax expense not considered in earlier years :** The Company has wrongly calculate the income tax in the previous years which is now restated.

**f. Deferred Tax Credit for previous years :** The Company has not calculated correctly the deferred tax impact on WDV of property, plant & equipment which has now been restated.

**g. MAT Credit Entitlement:** The Company has recognised the MAT credit during the previous years which has now been restated.

**h. Change in Profit/(Loss) :** Refer Note 3 above.

**5. ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:**

**a. Material Regrouping**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited



For Medicamen Organics Limited

Company Secretary



**RECONCILIATION OF RESTATED PROFIT:**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Networth as audited	1,525.93	869.12	746.92
<b>Adjustments for:</b>			
<b>Opening Balance of Adjustments</b>	<b>28.87</b>	<b>54.14</b>	
Reversal of depreciation expenses	-	-	83.42
Reversal of adjustment of provision for Tax	18.12	3.05	- 3.05
Income tax paid for earlier years	-	-	- 1.80
Reversal of Liability	-	-	- 0.85
Income Tax Expense not considered in earlier years	-	-	0.21
Creation of MAT Credit Entitlement	- 32.50	-	44.23
Deferred Tax Debit for previous years	-	-	- 70.33
Change in Profit/(Loss)	- 22.02	- 28.32	2.31
<b>Closing Balance of Adjustments</b>	<b>- 7.53</b>	<b>28.87</b>	<b>54.14</b>
<b>Networth as restated</b>	<b>1,518.40</b>	<b>897.99</b>	<b>801.06</b>

For MEDICAMEN ORGANICS LTD.

Director

Director



For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF SHARE CAPITAL AS RESTATED**

ANNEXURE - V  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>EQUITY SHARE CAPITAL:</b>			
<b>AUTHORISED:</b>			
Equity Shares of ₹ 10 each	1,400.00	800.00	600.00
<b>ISSUED, SUBSCRIBED AND PAID UP</b>			
Equity Shares of ₹ 10 each fully paid up	860.00	600.00	600.00
	<b>860.00</b>	<b>600.00</b>	<b>600.00</b>
<b>TOTAL</b>	<b>860.00</b>	<b>600.00</b>	<b>600.00</b>

**Reconciliation of number of shares outstanding at the end of the year:**

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year	60,00,000	60,00,000	60,00,000
Add: Share Issued during the year	26,00,000	-	-
Total	86,00,000	60,00,000	60,00,000
<b>Equity Shares at the end of the year</b>	<b>86,00,000</b>	<b>60,00,000</b>	<b>60,00,000</b>

**Note:**

1) Terms/Rights attached to Equity Shares: The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Share holders.

2) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Name of Shareholders	As at March 31, 2024	
	No. of Shares	% of Holding
<b>Equity Share Holders</b>		
Bal Kishan Gupta	61,02,650	70.96%
Ashutosh Gupta	5,87,400	6.83%
Shivani Chopra	6,00,000	6.98%

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited  
*[Signature]*

For Medicamen Organics Limited  
*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Name of Shareholders	As at March 31,2023	
	No. of Shares Held	% of Holding
<b>Equity Share Holders</b>		
Bal Kishan Gupta	44,86,650	74.78%
Ashutosh Gupta	6,19,500	10.33%
Shivani Chopra	6,00,000	10.00%

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Name of Shareholders	As at March 31,2022	
	No. of Shares Held	% of Holding
<b>Equity Share Holders</b>		
Bal Kishan Gupta	44,86,650	74.78%
Ashutosh Gupta	6,19,500	10.33%
Shivani Chopra	6,00,000	10.00%

**Details of equity shares held by promoters:**

Name of Promoter	As at March 31,2024		% Change during the year
	No. of Shares Held	% of Holding	
Bal Kishan Gupta	61,02,650	70.96%	(3.82%)
Ashutosh Gupta	5,87,400	6.83%	(3.49%)

**Details of equity shares held by promoters:**

Name of Promoter	As at March 31,2023		% Change during the year
	No. of Shares Held	% of Holding	
Bal Kishan Gupta	44,86,650	74.78%	0.00%

**Details of equity shares held by promoters:**

Name of Promoter	As at March 31,2022		% Change during the year
	No. of Shares Held	% of Holding	
Bal Kishan Gupta	44,86,650	74.78%	0.00%

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited  
*[Signature]*  
C.F.O.

For Medicamen Organics Limited  
*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF RESERVE & SURPLUS AS RESTATED**

ANNEXURE - VI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>Securities Premium</u></b>			
Opening Balance	91.44	91.44	91.44
Add: Received during the year	120.00	-	-
Closing Balance	<b>211.44</b>	<b>91.44</b>	<b>91.44</b>
<b><u>Balance in profit &amp; Loss A/c</u></b>			
Opening Balance	206.55	109.62	44.60
Add : Net profit / (Loss) after Tax for the year	240.41	96.93	10.14
Add: Reversal of depreciation expenses	-	-	83.42
Less: Income tax paid for earlier years	-	-	(1.80)
Less: Reversal of (Asset)/Liability	-	-	(0.85)
Add: Income not considered in previous year	-	-	0.21
Less: Deferred Tax for previous years	-	-	(70.33)
Add: MAT Credit Entitlement	-	-	44.23
Closing Balance	<b>446.96</b>	<b>206.55</b>	<b>109.62</b>
<b>TOTAL</b>	<b>658.40</b>	<b>297.99</b>	<b>201.06</b>

**DETAILS OF LONG TERM BORROWINGS AS RESTATED**

ANNEXURE - VII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>Secured</u></b>			
<b><u>Term Loan</u></b>			
- Banks	-	7.11	29.88
<b><u>Vehicle Loan</u></b>			
- Banks	16.14	25.52	34.23
<b>TOTAL</b>	<b>16.14</b>	<b>32.63</b>	<b>64.11</b>

(Refer Annexure for terms of security, repayment and other relevant details)

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary





**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF DEFERRED TAX LIABILITY (NET) AS RESTATED**

ANNEXURE - VIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<u>Deferred Tax Liability arising on account of:</u>			
-Difference of Depreciation as per Companies Act, 2013 and Income Tax Act, 1961	124.70	122.70	118.00
-Expenses disallowed under Income Tax Act, 1961	(6.16)	(6.21)	(6.60)
<b>TOTAL</b>	<b>118.54</b>	<b>116.49</b>	<b>111.40</b>

**DETAILS OF LONG TERM PROVISIONS AS RESTATED**

ANNEXURE - IX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity	17.47	17.23	18.91
Provision for Leave Encashment	4.00	4.38	4.08
<b>TOTAL</b>	<b>21.47</b>	<b>21.61</b>	<b>22.99</b>

**DETAILS OF SHORT TERM BORROWINGS AS RESTATED**

ANNEXURE - X  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<u>Secured</u>			
Bank Overdraft	125.27	98.70	36.57
Cash Credit	427.65	423.78	406.72
<u>Unsecured</u>			
Loan from Directors	680.10	592.91	475.07
Current maturities of long-term debt	16.49	31.48	42.10
<b>TOTAL</b>	<b>1,249.51</b>	<b>1,146.87</b>	<b>960.46</b>

*(Refer Annexure for terms of security, repayment and other relevant details)*

*\*Loan from Directors are interest-free and repayable on demand*

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

F-19



For Medicamen Organics Limited

*[Signature]*  
Company Secretary

C.F.O.



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF TRADE PAYABLES AS RESTATED**

ANNEXURE - XI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Due to Micro and Small Enterprises	117.29	125.98	52.24
Due to Others	590.67	773.88	678.67
<b>TOTAL</b>	<b>707.96</b>	<b>899.86</b>	<b>730.91</b>

(Refer Annexure - XXXI for ageing)

**DETAILS OF OTHER CURRENT LIAIBILITES AS RESTATED**

ANNEXURE - XII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Employee benefit payable	29.67	24.87	16.67
Director Remuneration Payable	5.53	-	1.59
Advances from Customers	33.54	43.69	8.32
Statutory Dues Payable (TDS, GST ,EPF, ESIC & TCS)	20.36	14.12	5.57
Audit fees payable	6.29	14.29	12.59
Rent payable	0.33	-	-
Expense payable	10.21	-	-
<b>TOTAL</b>	<b>105.93</b>	<b>97.28</b>	<b>44.74</b>

For MEDICAMEN ORGANICS LTD.

*[Signature]*

Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*

C.F.O.



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED**

ANNEXURE - XIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Taxation (Net of Advance Tax, TDS and TCS)	111.97	36.86	7.70
Provision for Audit Fees	4.80	7.29	6.85
Provision for Gratuity	0.36	0.37	0.39
Provision for Bonus	2.69	0.99	2.83
Provision for Leave Encashment	0.30	0.33	0.35
<b>TOTAL</b>	<b>120.12</b>	<b>45.84</b>	<b>18.12</b>

**DETAILS OF LONG-TERM LOANS & ADVANCES AS RESTATED**

ANNEXURE - XV  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
MAT Credit Entitlement	46.58	46.58	46.58
<b>TOTAL</b>	<b>46.58</b>	<b>46.58</b>	<b>46.58</b>

**DETAILS OF OTHER NON CURRENT ASSETS AS RESTATED**

ANNEXURE - XVI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Security Deposits	20.38	25.42	23.97
Fixed Deposit (having original maturity of more than 3 months and remaining maturity of more than 12 months)	2.47	2.10	0.33
Earnest Money Deposit	7.87	11.03	11.03
<b>TOTAL</b>	<b>30.72</b>	<b>38.55</b>	<b>35.33</b>

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited



C.F.O.

For Medicamen Organics Limited  
*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF INVENTORIES AS RESTATED**

ANNEXURE - XVII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Raw Material	119.12	227.29	183.07
Packing Material	186.04	224.50	186.30
Work in progress	177.98	150.59	66.10
Finished goods	131.12	11.52	36.21
Stores & Spares	-	-	0.50
<b>TOTAL</b>	<b>614.26</b>	<b>613.90</b>	<b>472.18</b>

**DETAILS OF TRADE RECEIVABLES AS RESTATED**

ANNEXURE - XVIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Unsecured, Considered Good</b>			
Trade Receivable More than Six Months	292.94	206.41	175.05
Trade Receivable Less than Six Months	1,377.06	870.41	449.49
<b>TOTAL</b>	<b>1,670.00</b>	<b>1,076.82</b>	<b>624.54</b>

(Refer Annexure - XXXII for ageing)

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

Varsha Bansal  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**RECONCILIATION OF RESTATED PROFIT:**

(₹ In Lakhs)

Particulars	For the Year ended March 31 , 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	262.43	125.25	7.83
<b><u>Adjustments for:</u></b>			
MAT Credit Entitlement	-	-	2.35
Interest On FD	-	0.17	0.16
Depreciation and Amortization Expense	0.00	8.86	12.72
Loss on sale of Fixed Asset	0.00	0.00	-
Reversal of (Asset)/Liability	0.00	0.00	0.46
Interest on Income Tax	0.00	-1.06	0.72
Income tax expense	-0.22	-32.95	2.98
Deferred tax expense	83.01	-3.00	9.68
Prior Period Expenses	-104.81	0.00	-
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>240.41</b>	<b>96.93</b>	<b>10.14</b>

For MEDICAMEN ORGANICS LTD.

*[Signature]*

Director

*[Signature]*

Director



For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF CASH & BANK BALANCE AS RESTATED**

ANNEXURE - XIX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b><u>a. Cash and Cash Equivalents</u></b>			
Cash-in-Hand	40.96	39.05	35.14
Bank Balance			
-In Current Accounts	2.36	5.01	1.73
<b><u>b. Other Bank Balances with Scheduled Bank</u></b>			
Fixed Deposit Receipts	11.98	8.76	6.87
(*having original maturity of more than 3 months and remaining maturity of Less than 12 months including given as collateral)			
<b>TOTAL</b>	<b>55.30</b>	<b>52.82</b>	<b>43.74</b>

**DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED**

ANNEXURE - XX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance with Statutory Authorities	234.75	314.25	358.90
Advances to Suppliers	151.92	16.62	31.71
Prepaid Expenses	4.36	10.88	11.74
Advances to Staff	0.63	1.30	-
<b>TOTAL</b>	<b>391.66</b>	<b>343.05</b>	<b>402.35</b>

For Medicamen Organics Limited  
*Varsha Bansal*  
Company Secretary

For MEDICAMEN ORGANICS LTD.  
*Director*  
*Director*

For Medicamen Organics Limited  
*Director*  
C.F.O.





**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

ANNEXURE- XIV  
(₹ In Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				(₹ In Lakhs) NET BLOCK	
	AS AT 01.04.2023	ADDITIONS	DEDUCTIONS	AS AT 31.03.2024	UPTO 01.04.2023	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2024	AS AT 31.03.2024	AS AT 31.03.2023
<b>Property, Plant &amp; Equipment</b>										
<b><u>Tangible Assets</u></b>										
(a) Buildings	479.62	-	-	479.62	64.27	7.59	-	71.86	407.76	415.35
(b) Computer	14.28	0.39	-	14.67	12.64	0.52	-	13.16	1.51	1.64
(c) Plant and Machinery	89.70	-	-	89.70	36.98	4.98	-	41.96	47.74	52.72
(d) Furniture and Fixtures	29.36	-	-	29.36	13.91	2.78	-	16.69	12.67	15.45
(e) Office equipment	7.08	2.51	-	9.59	4.85	0.66	-	5.51	4.08	2.23
(f) Electrical Equipment	75.24	-	-	75.24	53.81	3.65	-	57.46	17.78	21.43
(g) Leasehold Land	53.71	-	-	53.71	-	-	-	-	53.71	53.71
(h) Motor Car	93.76	-	-	93.76	45.75	9.39	-	55.14	38.62	48.01
(i) Motor vehicle	0.02	-	-	0.02	0.02	-	-	0.02	-	-
(k) Plant and machinery factory	585.67	9.11	-	594.78	235.49	27.90	-	263.39	331.39	350.18
(l) A.C. Plant	157.65	-	-	157.65	73.11	7.27	-	80.38	77.27	84.54
(m) Lab equipment	80.37	8.00	-	88.37	39.98	7.01	-	46.99	41.38	40.39
<b><u>Intangible Assets</u></b>										
(a) Patent & Trademark	8.01	-	-	8.01	6.81	0.19	-	7.00	1.01	1.20
<b>Capital Work-in-Progress</b>										
(a)A.C. Plant	-	14.63	-	14.63	-	-	-	-	14.63	-
<b>Total</b>	<b>1,674.47</b>	<b>34.64</b>	<b>-</b>	<b>1,709.11</b>	<b>587.62</b>	<b>71.94</b>	<b>-</b>	<b>659.56</b>	<b>1,049.55</b>	<b>1,086.85</b>

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2022	ADDITIONS	DEDUCTIONS	AS AT 31.03.2023	UPTO 01.04.2022	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2023	AS AT 31.03.2023	AS AT 31.03.2022
<b><u>Property, Plant &amp; Equipment</u></b>										
<b><u>Tangible Assets</u></b>										
(a) Buildings	478.36	1.26	-	479.62	56.70	7.57	-	64.27	415.35	421.66
(b) Computer	13.88	0.40	-	14.28	11.77	0.87	-	12.64	1.64	2.11
(c) Plant and Machinery	83.80	5.90	-	89.70	31.96	5.02	-	36.98	52.72	51.84
(d) Furniture and Fixtures	29.36	-	-	29.36	11.12	2.79	-	13.91	15.45	18.24
(e) Office equipment	6.56	0.52	-	7.08	4.28	0.57	-	4.85	2.23	2.28
(f) Electrical Equipment	71.22	4.02	-	75.24	50.44	3.37	-	53.81	21.43	20.78
(g) Leasehold Land	53.71	-	-	53.71	-	-	-	-	53.71	53.71
(h) Motor Car	91.97	1.79	-	93.76	36.37	9.38	-	45.75	48.01	55.60
(i) Motor vehicle	0.02	-	-	0.02	0.02	-	-	0.02	-	-
(k) Plant and machinery factory	571.57	14.10	-	585.67	208.08	27.41	-	235.49	350.18	363.49
(l) A.C. Plant	157.65	-	-	157.65	65.84	7.27	-	73.11	84.54	91.81
(m) Lab equipment	79.42	0.95	-	80.37	33.27	6.71	-	39.98	40.39	46.15
<b><u>Intangible Assets</u></b>										
(a) Patent & Trademark	8.01	-	-	8.01	6.61	0.20	-	6.81	1.20	1.40
<b>Total</b>	<b>1,645.53</b>	<b>28.94</b>	<b>-</b>	<b>1,674.47</b>	<b>516.46</b>	<b>71.16</b>	<b>-</b>	<b>587.62</b>	<b>1,086.85</b>	<b>1,129.07</b>

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.



For Medicamen Organics Limited

Vausha Bansal  
Company Secretary

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

DETAILS OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED

ANNEXURE- XIV  
(₹ In Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2021	ADDITIONS	DEDUCTIONS	AS AT 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	DEDUCTIONS	UPTO 31.03.2022	AS AT 31.03.2022	AS AT 31.03.2021
<b>Property, Plant &amp; Equipment</b>										
<b>Tangible Assets</b>										
(a) Buildings	478.36	-	-	478.36	49.13	7.57	-	56.70	421.66	429.23
(b) Computer	13.09	0.79	-	13.88	10.22	1.55	-	11.77	2.11	2.87
(c) Plant and Machinery	83.80	-	-	83.80	26.65	5.31	-	31.96	51.84	57.15
(d) Furniture and Fixtures	29.36	-	-	29.36	8.33	2.79	-	11.12	18.24	21.03
(e) Office equipment	5.68	0.88	-	6.56	3.90	0.38	-	4.28	2.28	1.78
(f) Electrical Equipment	71.22	-	-	71.22	47.03	3.41	-	50.44	20.78	24.19
(g) Leasehold Land	53.71	-	-	53.71	-	-	-	-	53.71	53.71
(h) Motor Car	42.66	49.31	-	91.97	30.26	6.11	-	36.37	55.60	12.40
(i) Motor vehicle	0.02	-	-	0.02	0.02	-	-	0.02	-	-
(k) Plant and machinery factory	565.49	6.08	-	571.57	181.14	26.94	-	208.08	363.49	384.35
(l) A.C. Plant	153.07	4.58	-	157.65	58.57	7.27	-	65.84	91.81	94.50
(m) Lab equipment	79.42	-	-	79.42	26.78	6.49	-	33.27	46.15	52.64
<b>Intangible Assets</b>										
(a) Patent & Trademark	8.01	-	-	8.01	6.42	0.19	-	6.61	1.40	1.59
<b>Total</b>	<b>1,583.89</b>	<b>61.64</b>	<b>-</b>	<b>1,645.53</b>	<b>448.45</b>	<b>68.01</b>	<b>-</b>	<b>516.46</b>	<b>1,129.07</b>	<b>1,135.44</b>

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.



For Medicamen Organics Limited

Vaisha Bansal  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE FOR TERMS OF BORROWINGS AS RESTATED:**

(₹ In Lakhs)										
Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2024 (₹ In Lakhs)	Outstanding as on March 31, 2023 (₹ In Lakhs)	Outstanding as on March 31, 2022 (₹ In lakhs)
Axis Bank Ltd.(Working capital) <sup>2</sup>	<b>Primary:</b> Hypothecation of all existing & future Current asset and movable fixed assets of the company except vehicles financed by other banks / FI. <b>Collateral:</b> 1.Equitable mortgage of leasehold Industrial properties as detailed below : Plot no 60 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. 2.Plot no 61 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. Personal Guarantee- . Bal Kishon Gupta . Ashutosh Gupta	Repayment on Demand	310 /410/425	Repo Rate+3.60% /Repo Rate+3.00%	12	NA	NA	427.65	423.78	406.72
Axis Bank Ltd.(OD) <sup>3</sup>	105 % Cash margin in the form of a FD of the bank, with bank's lien noted thereon. Lien shall be marked on the FD till such time as the obligation under the overdraft facility is fully satisfied. The FD shall be in the name of the Partners or family members of Partners	Repayment on Demand	99.75 / 90/127	FDR+1%	12	NA	NA	125.27	98.70	36.57

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*  
C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURE FOR TERMS OF BORROWINGS AS RESTATED:**

(₹ In Lakhs)										
Name of Lender	Nature of Security	Repayment Terms	Sanction (₹ In Lakhs)	Rate of Interest	Tenure (Months)	No of O/S Instalments	Instalment (₹)	Outstanding as on March 31, 2024 (₹ In Lakhs)	Outstanding as on March 31, 2023 (₹ In Lakhs)	Outstanding as on March 31, 2022 (₹ In lakhs)
Axis Bank Ltd <sup>1</sup>	<b>Primary:</b> Hypothecation of all existing & future Current asset and movable fixed assets of the company except vehicles financed by other banks / FL. <b>Collateral:</b> A) 1. Plot no 60 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. 2. Plot no 61 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. B) Extension of Hypothecation of entire Current assets & Moveable Fixed assets of the company both present & Future except Vehicles Financed by other bank/FL	4 Years including 12 months of moratorium	64/62.22/36	Repo rate + 4.84% / Repo rate + 3.60% / Repo rate + 3.00%	36	10	1,77,777	7.11	29.88	51.94
Axis Bank Ltd.	Car	60 Months	16.95	7.25%	60	42	33,763	10.83	13.97	16.95
Axis Bank Ltd.	Car	60 Months	28.69	7.45%	60	34	57,421	14.69	20.26	25.43

<sup>1</sup> Loan Repayment Schedules are not available and hence, closing balances and current maturities are verified with statement of accounts.

<sup>2</sup> Earlier sanctioned amount was ₹ 310 Lakhs then increased to ₹ 410 Lakhs and then increased to ₹ 425 Lakhs.

<sup>3</sup> Earlier sanctioned amount was ₹ 99.75 Lakhs and then reduced to ₹ 90 Lakhs.

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]* C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary





**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**

ANNEXURE - XXI  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Product and services	2,253.51	2,092.71	2,097.52
Sale of Services	273.66	122.00	-
<b>TOTAL</b>	<b>2,527.17</b>	<b>2,214.71</b>	<b>2,097.52</b>

**DETAILS OF OTHER INCOME AS RESTATED**

ANNEXURE - XXII  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on FD	1.34	0.81	2.33
Duty Drawback/RODTEP Received	0.28	0.66	-
Reimbursement of expenses	-	-	-
Provision for Gratuity Written Back	-	0.96	-
Foreign Exchange Rate Difference	0.17	-	-
Amount Written Back	-	79.10	18.82
<b>TOTAL</b>	<b>1.79</b>	<b>81.53</b>	<b>21.15</b>

**DETAILS OF COST OF MATERIAL CONSUMED AS RESTATED**

ANNEXURE - XXIII  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Raw material Consumed</b>			
Opening Stock	227.29	183.07	127.04
Add: Purchase During the year	955.65	1,099.75	710.55
Less : Transfer to other Branch	-	-	(18.73)
Less : Closing Stock	(119.12)	(227.29)	(183.07)
<b>TOTAL</b>	<b>1,063.82</b>	<b>1,055.53</b>	<b>635.79</b>
<b>Packing Material and Stores &amp; Spares Consumed</b>			
Opening Stock	224.50	186.81	108.09
Add: Purchase During the year	337.66	380.32	854.85
Less : Closing Stock	(186.04)	(224.50)	(186.81)
<b>TOTAL</b>	<b>376.12</b>	<b>342.63</b>	<b>776.13</b>
<b>TOTAL</b>	<b>1,439.94</b>	<b>1,398.16</b>	<b>1,411.92</b>

For MEDICAMEN ORGANICS LTD.

Director

Director



For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF DIRECT EXPENSES AS RESTATED**

ANNEXURE - XXIV  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Manufacturing expenses</b>			
Labour Charges	117.11	87.33	85.30
Clearing and forwarding charges	-	-	0.96
Power, fuel & water	97.22	81.62	71.70
Consumable Stores	4.59	5.27	7.82
Freight & Cartage inwards	19.12	26.74	15.94
Analysis & testing Charges	16.25	23.00	18.67
Laboratories Expenses	7.50	6.13	6.59
Effluent treatment Expenses	2.40	2.63	2.31
Repairs and Maintenance			
-Building	8.81	0.26	0.82
-Machines & Electricals	10.67	5.21	11.74
-Others	3.24	3.17	3.56
<b>TOTAL</b>	<b>286.91</b>	<b>241.36</b>	<b>225.41</b>

**CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**

ANNEXURE - XXV  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening Stock</b>			
Finished Goods	11.52	36.21	7.25
Work in progress	150.59	66.10	23.70
<b>Total</b>	<b>162.11</b>	<b>102.31</b>	<b>30.95</b>
<b>Closing Stock</b>			
Finished Goods	131.12	11.52	36.21
Work in progress	177.98	150.59	66.10
<b>Total</b>	<b>309.10</b>	<b>162.11</b>	<b>102.31</b>
<b>Stock Decreased/ (Increase) by</b>	<b>(146.99)</b>	<b>(59.80)</b>	<b>(71.36)</b>

**DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED**

ANNEXURE - XXVI  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and Allowance	254.27	249.12	220.53
Director's Remuneration	33.24	29.49	36.19
EPF Employers Contribution	14.47	15.54	14.50
ESI Employers Contribution	1.85	2.11	1.98
Bonus & Ex-Gratia	5.18	1.58	3.07
Gratuity Expense	2.74	-	4.25
Leave Encashment Expenses	2.05	1.65	1.53
Workmen and Staff Welfare Expenses	21.59	17.14	5.31
<b>TOTAL</b>	<b>335.39</b>	<b>316.63</b>	<b>287.36</b>

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

F-30



C.F.O.

For Medicamen Organics Limited

Varsha Bansal  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF FINANCE COST AS RESTATED**

ANNEXURE - XXVII  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Term loan	1.74	3.93	12.31
Interest on working capital	52.27	46.67	28.44
Interest on car loan	2.19	2.93	1.36
Bank Charges	2.36	4.66	3.75
Interest on delayed payment of taxes	0.79	1.99	0.74
Interest on Income Tax	3.96	1.06	0.72
Other Interest	1.43	-	-
<b>TOTAL</b>	<b>64.74</b>	<b>61.24</b>	<b>47.32</b>

**DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED**

ANNEXURE - XXVIII  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation and Amortization Expenses	71.94	71.16	68.01
<b>TOTAL</b>	<b>71.94</b>	<b>71.16</b>	<b>68.01</b>

For MEDICAMEN ORGANICS LTD.

*Sushant*  
Director

*Abhishek*  
Director



For Medicamen Organics Limited  
*Shahid*

C.F.O.

For Medicamen Organics Limited

*Vaishali Bansal*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF OTHER EXPENSES AS RESTATED**

ANNEXURE - XXIX  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Adminstration, selling &amp; other expenses</b>			
Legal and Professional Charges	11.15	11.23	10.23
Security Service Charges	25.98	23.35	21.20
Registration charges	1.68	1.89	2.49
Travelling & Conveyance	10.18	5.89	5.58
Fees and Subscription	9.58	7.01	5.34
Miscellaneous expenses	14.76	8.97	10.09
Donation	1.50	-	2.00
GST Late Fees	-	0.01	0.14
Pollution fees	-	2.70	-
Amount Written off	10.11	-	-
Rates & Taxes	0.24	0.38	0.35
Housekeeping Expenses	1.94	1.41	1.78
Communication Expenses	4.45	4.08	3.98
Printing and Stationery	5.30	4.40	3.86
Vehicle running Expenses	4.66	4.63	2.51
Distribution Expenses	1.07	9.51	2.59
Commission on Sale	15.28	24.11	36.84
Computer expenses	1.60	2.20	3.68
Office Expenses	1.69	2.05	1.90
Business Promotion expense	3.01	5.60	1.09
Foreign Exchange flutuation	-	1.42	0.09
Insurance Charges			
- Vehicles	1.11	1.59	1.08
- Stocks & Building	3.31	2.66	1.97
- Others	0.29	0.37	0.31
Rent	4.26	4.06	3.39
Audit Fees	5.00	2.00	2.00
<b>Total</b>	<b>138.15</b>	<b>131.52</b>	<b>124.49</b>

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary

**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF OTHER INCOME AS RESTATED**

**ANNEXURE - XXX**

(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	Nature
Other Income	1.79	81.53	21.15	
Net Profit Before Tax as Restated	338.88	135.97	25.52	
Percentage	0.53%	59.96%	82.88%	

**Source of Income**

Interest Income on FD	1.34	0.81	2.33	Recurring and not related to Business Activity
Duty Drawback/RODTEP Received	0.28	0.66	-	Non-Recurring and related to Business Activity
Provision for Gratuity Written Back	-	0.96	-	Non-Recurring and not related to Business Activity
Amount Written off	-	79.10	18.82	Non-Recurring and not related to Business Activity
Foreign Exchange Fluctuation	0.17	-	-	Recurring and related to Business Activity
<b>Total Other income</b>	<b>1.79</b>	<b>81.53</b>	<b>21.15</b>	

For MEDICAMEN ORGANICS LTD

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited  
*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**AGEING OF TRADE PAYABLES AS RESTATED**

ANNEXURE - XXXI  
(₹ In Lakhs)

**I. Ageing of Creditors as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	114.58	2.42	0.02	0.27	117.29
(b) Others	461.42	100.35	22.19	6.71	590.67
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>576.00</b>	<b>102.77</b>	<b>22.21</b>	<b>6.98</b>	<b>707.96</b>

**II. Ageing of Creditors as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	119.49	4.14	1.13	1.22	125.98
(b) Others	722.74	41.30	9.16	0.68	773.88
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>842.23</b>	<b>45.44</b>	<b>10.29</b>	<b>1.90</b>	<b>899.86</b>

**II. Ageing of Creditors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	49.88	1.13	1.23	-	52.24
(b) Others	584.89	88.58	4.78	0.42	678.67
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>634.77</b>	<b>89.71</b>	<b>6.01</b>	<b>0.42</b>	<b>730.91</b>

For MEDICAMEN ORGANICS LTD

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

AGEING OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XXXII  
(₹ In Lakhs)

**I. Ageing of Debtors as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	1,377.06	9.42	158.12	74.28	7.98	1,626.86
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	7.70	-	20.60	14.84	43.14
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>1,377.06</b>	<b>17.12</b>	<b>158.12</b>	<b>94.88</b>	<b>22.82</b>	<b>1,670.00</b>

**II. Ageing of Debtors as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	870.41	63.15	90.94	12.38	14.20	1,051.08
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	4.44	12.32	8.98	-	25.74
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>870.41</b>	<b>67.59</b>	<b>103.26</b>	<b>21.36</b>	<b>14.20</b>	<b>1,076.82</b>

**III. Ageing of Debtors as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade receivables - considered good	449.49	51.07	98.91	11.56	13.51	624.54
(b) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(d) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>449.49</b>	<b>51.07</b>	<b>98.91</b>	<b>11.56</b>	<b>13.51</b>	<b>624.54</b>

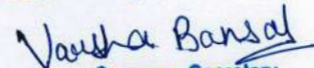
For MEDICAMEN ORGANICS LTD.  
  
 Director

  
 Director



For Medicamen Organics Limited  
  
 C.F.O.

For Medicamen Organics Limited

  
 Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**DETAILS OF RELATED PARTY  
TRANSACTION AS RESTATED**

ANNEXURE - XXXIII  
(₹ In Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended March 31, 2024	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2023	Amount outstanding as on March 31, 2023 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2022	Amount outstanding as on March 31, 2022 (Payable)/ Receivable
Mr. Bal Kishan gupta	Director	Remuneration	15.58	-	15.35	-	13.41	-
		Loan Taken	571.35	(657.60)	174.80	(576.78)	83.74	(466.01)
		Loan Repaid	490.53		64.03		78.44	
Mr. Ashutosh Gupta	Director	Remuneration	7.19	-	7.02	-	7.47	-
		Loan Taken	10.95	(5.25)	0.70			(0.06)
		Loan repaid	5.70		0.76	-	9.47	
Mr. Shailesh harimohan gaur	Director	Remuneration	10.47	-	7.12	-	7.06	-
HC (hukam chand) Sharma	Director	Remuneration	-				8.25	
		Loan repaid	-				0.48	
		Loan taken	-				0.48	
Ritu gupta	Relative of director (Wife of BK gupta )	Salaried	6.00	-	5.49	4.82	5.40	4.82
		Loan repaid	-	(2.30)	-	(2.30)	1.00	-
		Loan taken	-		2.30		1.00	
Redline Healthcare Partnership firm	Company in which director is Director	Sales of services	-	25.91	30.08	26.91	34.36	-
		Purchase of services	10.49	-	145.98	(134.92)	93.69	(68.16)
Redline Healthcare pvt limited (unit a)	Company in which director is Director	Loan repaid	-		-		0.09	
		Loan taken	-	(14.95)	4.00	(13.83)	9.09	(9.00)
		Interest Paid to party (cumulate under loan)	1.12		0.82		-	
Jasbal pharma LLP (Unit II)	Company in which	Sales of Services	39.09	1.40	6.54	3.38	14.99	4.43

\*Note : All reimbursement closing balance payable showing debit balance are presented in loans & advances

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

Vaisha Bansal  
Company Secretary





**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

DISCLOSURE UNDER AS-15 AS RESTATED

ANNEXURE - XXXIV

**A. DEFINED CONTRIBUTION PLAN**

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Employers' Contribution to Provident Fund and ESIC	16.32	17.65	16.48

**B. DEFINED BENEFIT OBLIGATION**

**1) Gratuity**

The gratuity benefit payable to the employees of the Company is as per the provisions of the Payment of Gratuity Act, 1972, as amended. Under the gratuity plan, every employee who has completed at least 5 years of service gets gratuity on separation or at the time of superannuation calculated for equivalent to 15 days salary for each completed year of service calculated on last drawn basic salary. The Company does not have a funded plan for gratuity liability.

I. ASSUMPTIONS:	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate	7.22%	7.36%	7.18%
Salary Escalation	5.50%	5.50%	5.50%
Withdrawal Rates	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement Age	58 years	58 years	58 years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Present Value of Benefit Obligation as at the beginning of the year	17.60	19.30	16.10
Current Service Cost	2.34	2.60	3.50
Interest Cost	1.30	1.39	1.10
(Benefit paid)	(2.51)	(0.74)	(1.05)
Actuarial (gains)/losses	(0.90)	(4.95)	(0.35)
Present value of benefit obligation as at the end of the year	17.83	17.60	19.30

III. ACTUARIAL GAINS/LOSSES:	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Actuarial (gains)/losses on obligation for the year	(0.90)	(4.95)	(0.35)
Actuarial (gains)/losses on asset for the year	-	-	-
Actuarial (gains)/losses recognized in income & expenses Statement	(0.90)	(4.95)	(0.35)

For MEDICAMEN ORGANICS LTD.  
*[Signature]*  
Director



For Medicamen Organics Limited  
*[Signature]*

CFO

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

DISCLOSURE UNDER AS-15 AS RESTATED

ANNEXURE - XXXIV

IV. EXPENSES RECOGNISED	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Current service cost	2.34	2.60	3.50
Interest cost	1.30	1.39	1.10
Actuarial (gains)/losses	(0.90)	(4.95)	(0.35)
<b>Expense charged to the Statement of Profit and Loss</b>	<b>2.74</b>	<b>(0.96)</b>	<b>4.25</b>

V. BALANCE SHEET RECONCILIATION:	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Opening net liability	17.60	19.30	16.10
Expense as above	2.74	(0.96)	4.25
(Benefit paid)	(2.51)	(0.74)	(1.05)
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>17.83</b>	<b>17.60</b>	<b>19.30</b>

VI. EXPERIENCE ADJUSTMENTS	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
On Plan Liability (Gains)/Losses	(1.17)	(4.56)	0.62

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

**2) Leave Encashment:**

I. ASSUMPTIONS:	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate	7.22%	7.36%	7.18%
Salary Escalation	5.50%	5.50%	5.50%
Withdrawal Rates	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.	up to 30 Years: 3% p.a. 31 to 44 Years: 2% p.a. Above 44 Years: 1% p.a.
Mortality Table	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement Age	58 years	58 years	58 years

II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Present Value of Benefit Obligation as at the beginning of the year	4.71	4.44	4.11
Current Service Cost	0.76	0.92	1.12
Interest Cost	0.35	0.32	0.28
(Benefit paid)	(2.46)	(1.38)	(1.20)
Actuarial (gains)/losses	0.94	0.41	0.13
<b>Present value of benefit obligation as at the end of the year</b>	<b>4.30</b>	<b>4.71</b>	<b>4.44</b>

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*

C.F.O.



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

DISCLOSURE UNDER AS-15 AS RESTATED

ANNEXURE - XXXIV

III. ACTUARIAL GAINS/LOSSES:	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Actuarial (gains)/losses on obligation for the year	0.94	0.41	0.13
Actuarial (gains)/losses on asset for the year	-	-	-
<b>Actuarial (gains)/losses recognized in income &amp; expenses Statement</b>	<b>0.94</b>	<b>0.41</b>	<b>0.13</b>

IV. EXPENSES RECOGNISED	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Current service cost	0.76	0.92	1.12
Interest cost	0.35	0.32	0.28
Actuarial (gains)/losses	0.94	0.41	0.13
<b>Expense charged to the Statement of Profit and Loss</b>	<b>2.05</b>	<b>1.65</b>	<b>1.53</b>

V. BALANCE SHEET RECONCILIATION:	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
Opening net liability	4.71	4.45	4.12
Expense as above	2.05	1.65	1.53
(Benefit paid)	(2.46)	(1.38)	(1.20)
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>4.30</b>	<b>4.72</b>	<b>4.45</b>

VI. EXPERIENCE ADJUSTMENTS	For the Year ended March 31, 2024 (₹ in Lakhs)	For the year ended March 31, 2023 (₹ in Lakhs)	For the year ended March 31, 2022 (₹ in Lakhs)
On Plan Liability (Gains)/Losses	0.88	0.52	0.35

VII. The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

For MEDICAMEN ORGANICS LTD.

*[Signature]*

Director

*[Signature]*

Director



For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary

**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**DETAILS OF ACCOUNTING RATIOS AS RESTATED**

**ANNEXURE - XXXV**

(₹ In Lakhs, except per share data and ratios)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Restated Profit after Tax as per Profit & Loss Statement (A)	240.41	96.93	10.14
Tax Expense (B)	98.47	39.04	15.38
Depreciation and amortization expense (C)	71.94	71.16	68.01
Interest Cost (D)	64.74	61.24	47.32
Weighted Average Number of Equity Shares at the end of the Year (E)	75,62,842	60,00,000	60,00,000
Number of Equity Shares outstanding at the end of the Year (F)	86,00,000	60,00,000	60,00,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	1,518.40	897.99	801.06
Current Assets (I)	2,731.22	2,086.59	1,542.81
Current Liabilities (J)	2,183.52	2,189.85	1,754.23
Earnings Per Share - Basic & Diluted <sup>1</sup> (₹)	3.18	1.62	0.17
Return on Net Worth <sup>1</sup> (%)	15.83%	10.79%	1.27%
Net Asset Value Per Share <sup>1</sup> (₹)	17.66	14.97	13.35
Current Ratio <sup>1</sup>	1.25	0.95	0.88
Earning before Interest, Tax and Depreciation and Amortization <sup>1</sup> (EBITDA)	475.56	268.37	140.85

**Notes -**

1. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) :  $\frac{A}{E}$

Return on Net Worth (%):  $\frac{A}{H}$

Net Asset Value per equity share (₹):  $\frac{H}{F}$

Current Ratio:  $\frac{I}{J}$

Earning before Interest, Tax and Depreciation and Amortization (EBITDA):  $A + (B+C+D)$

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

F-40

C.F.O.



For Medicamen Organics Limited

Nausha Bansal  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**STATEMENT OF TAX SHELTERS**

ANNEXURE - XXXVI  
(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax as per books (A)	338.88	135.97	25.52
Income Tax Rate* (%)	27.82%	27.82%	26.00%
MAT Rate* (%)	16.69%	16.69%	15.60%
Tax at notional rate on profits	94.28	37.83	6.64
<b>Adjustments :</b>			
<b>Permanent Differences(B)</b>			
<u>Expenses disallowed under Income Tax Act, 1961</u>			
- Late Fees on GST Return	-	0.01	0.14
- Interest on TDS & Income Tax	4.75	3.05	1.46
- Donation	1.50	-	2.00
<u>Disallowance under section 36</u>			
- EPF Employee Share	6.74	15.54	33.52
- ESI Employee Share	2.09	-	-
<b>Total Permanent Differences(B)</b>	<b>15.08</b>	<b>18.60</b>	<b>37.12</b>
<b>Income considered separately (C)</b>			
Interest Income	(1.34)	(0.81)	(2.33)
<b>Total Income considered separately (C)</b>	<b>(1.34)</b>	<b>(0.81)</b>	<b>(2.33)</b>
<b>Timing Differences (D)</b>			
Depreciation as per Companies Act, 2013	71.94	71.16	68.01
Depreciation as per Income Tax Act, 1961	(79.12)	(88.05)	(96.38)
Gratuity Provision	2.74	(0.96)	4.24
Gratuity Paid	(2.50)	(0.73)	(1.06)
Leave Encashment Provision	2.05	1.65	1.53
Leave Encashment Paid	(2.47)	(1.38)	(1.21)
<b>Total Timing Differences (D)</b>	<b>(7.36)</b>	<b>(18.31)</b>	<b>(24.87)</b>
<b>Net Adjustments E = (B+C+D)</b>	<b>6.38</b>	<b>(0.52)</b>	<b>9.92</b>
<b>Tax expense / (saving) thereon</b>	<b>1.77</b>	<b>(0.14)</b>	<b>2.58</b>
<b>Income from Other Sources</b>			
Interest Income	1.34	0.81	2.33
<b>Income from Other Sources (E)</b>	<b>1.34</b>	<b>0.81</b>	<b>2.33</b>
<b>Set-off from Brought Forward Losses (F)</b>			
Taxable Income/(Loss) as per Income Tax (A+E+F)	-	(14.24)	(31.49)
	<b>346.60</b>	<b>122.02</b>	<b>6.28</b>
<b>Set-off from Brought Forward Losses for MAT (G)</b>			
Taxable Income/(Loss) as per MAT (A+G)	-	-	-
	<b>338.88</b>	<b>135.97</b>	<b>25.52</b>
<b>Income Tax as returned/computed</b>	<b>96.42</b>	<b>33.95</b>	<b>3.98</b>
<b>Tax paid as per normal or MAT</b>	Normal	Normal	MAT

\*The Company has not opted for income tax rates specified under section 115BAA of Income Tax Act, 1961.

**For MEDICAMEN ORGANICS LTD.**  
  
**Director**



**For Medicamen Organics Limited**



**C.F.O.**

**For Medicamen Organics Limited**

  
**Company Secretary**



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED**

ANNEXURE - XXXVII  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I. Contingent Liabilities</b>			
(a) claims against the company not acknowledged as debt;	13.27	13.27	13.27
(b) guarantees excluding financial guarantees; and	-	-	-
(c) other money for which the company is contingently liable	-	-	-
<b>II. Commitments</b>			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-
(c) other commitments	-	-	-

**RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF:**

ANNEXURE - XXXVIII  
(₹ In Lakhs)

Particulars	As at March 31, 2024 ₹	As at March 31, 2023 ₹	As at March 31, 2022 ₹
(a) Raw Material	-	-	-
(b) Components and spare parts	-	-	-
(c) Capital goods	-	-	-

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.



For Medicamen Organics Limited

Nausha Bansal  
Company Secretary

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR AS RESTATED :**

ANNEXURE - XXXIX  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	₹	₹	₹
(a) Royalty	-	-	-
(b) Know-How	-	-	-
(c) Professional and consultation fees	-	-	-
(d) Interest	-	-	-
(e) Purchase of Components and spare parts	-	-	-
(f) Others	-	-	-

**EARNINGS IN FOREIGN EXCHANGE AS RESTATED:**

ANNEXURE - XL  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	₹	₹	₹
(a) Export of goods calculated on F.O.B. basis	13.98	52.41	-
(b) Royalty, know-how, professional and consultation fees	-	-	-
(c) Interest and dividend	-	-	-
(d) Other income	-	-	-

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED**

ANNEXURE - XLI  
(₹ In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	₹	₹	₹
(a) Dues remaining unpaid to any supplier at the end of each accounting year			
-Principal	117.29	125.98	52.24
-Interest on the above	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note I : The Company has not accounted for interest provisions as per MSMED Act, 2006 as the company has made payments to MSME Vendors within contractual period which is exceeding the contractual time-limit as per MSMED Act, 2006.



For MEDICAMEN ORGANICS LTD.

*Signature*  
Director

*Signature*  
Director

For Medicamen Organics Limited

*Signature*

C.F.O.

For Medicamen Organics Limited

*Signature*  
Company Secretary

**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

**ADDITIONAL REGULATORY INFORMATION AS PER PARA V OF SCHEDULE III TO COMPANIES ACT, 2013:**

**ANNEXURE - XLII**

- i. The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- ii. The Company has not revalued its Property, Plant and Equipment.
- iii. The Company has not granted loans or advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment
- iv. The Company does not have any capital work-in-progress.
- v. The Company does not have any intangible assets under development .
- vi. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- vii. The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts except as follows.

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.

For Medicamen Organics Limited

*Vaisha Bansal*  
Company Secretary





**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

For Financial Year 2023-24

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q1	Axis Bank	Stock statement	486.51	486.51	-	
Q1	Axis Bank	Book debts	1,156.79	552.36	(604.43)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q2	Axis Bank	Stock statement	607.61	607.61	-	
Q2	Axis Bank	Book debts	1,374.37	540.02	(834.35)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q3	Axis Bank	Stock statement	482.54	482.54	-	
Q3	Axis Bank	Book debts	1,130.20	415.06	(715.14)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q4	Axis Bank	Stock statement	614.26	614.26	-	
Q4	Axis Bank	Book debts	1,670.00	956.22	(713.78)	The Company has inadvertently submitted statements without entries of receipt against such debtors

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*

C.F.O.



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

For Financial Year 2022-23

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account	Amount as reported in the quarterly return/	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q1	Axis Bank	Stock statement	458.64	458.64	-	
Q1	Axis Bank	Book debts	729.96	344.11	(385.85)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q2	Axis Bank	Stock statement	459.34	459.34	-	
Q2	Axis Bank	Book debts	516.51	379.42	(137.09)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q3	Axis Bank	Stock statement	578.53	578.53	-	
Q3	Axis Bank	Book debts	691.62	555.06	(136.56)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q4	Axis Bank	Stock statement	613.90	616.20	2.30	
Q4	Axis Bank	Book debts	1,076.82	791.07	(285.75)	The Company has inadvertently submitted statements without entries of receipt against such debtors

For MEDICAMEN ORGANICS LTD.

Director

Director

For Medicamen Organics Limited

C.F.O.



For Medicamen Organics Limited

Vaisha Bansal  
Company Secretary

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

For Financial Year 2021-22

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per Books of Account (₹ in Lakhs)	Amount as reported in the quarterly return/ statement (₹ in Lakhs)	Amount of difference (₹ in Lakhs)	Reason for material discrepancies
Q1	Axis Bank	Stock statement	392.74	392.74	-	
Q1	Axis Bank	Book debts	715.36	301.23	(414.13)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q2	Axis Bank	Stock statement	362.69	362.69	-	
Q2	Axis Bank	Book debts	572.76	319.50	(253.26)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q3	Axis Bank	Stock statement	495.69	495.69	-	
Q3	Axis Bank	Book debts	603.26	373.88	(229.38)	The Company has inadvertently submitted statements without entries of receipt against such debtors
Q4	Axis Bank	Stock statement	472.18	471.68	(0.50)	
Q4	Axis Bank	Book debts	624.54	515.59	(108.95)	The Company has inadvertently submitted statements without entries of receipt against such debtors

FOR MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director

For Medicamen Organics Limited

*[Signature]*

C.F.O.



For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

- viii. The company is not declared as wilful defaulter by any bank or financial institution or other lender.
- ix. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- x. The company does not have any investments and hence, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- xi. Significant Accounting Ratios:

Ratios	For the year ended March 31, 2024	For the year ended March 31, 2023	Variation (%)
(a) Current Ratio	1.25	0.95	31.27%
(b) Debt-Equity Ratio	0.83	1.31	(36.54%)
(c) Debt Service Coverage Ratio	0.38	0.23	65.14%
(d) Return on Equity Ratio	0.20	0.11	74.39%
(e) Inventory turnover ratio	2.11	2.46	(14.57%)
(f) Trade Receivables turnover ratio	1.84	2.60	(29.32%)
(g) Trade payables turnover ratio	2.12	2.27	(6.75%)
(h) Net capital turnover ratio	11.37	14.08	(180.79%)
(i) Net profit ratio	9.51%	4.38%	117.36%
(j) Return on Capital employed	14.50%	9.50%	52.69%
(k) Return on investment	0.00%	0.00%	0.00%

*Reasons for Variation more than 25%: Since, comparative period is full financial year, hence, not comparable.*

- (a) Current Ratio: Ratio is improved mainly due to decrease in current liabilities whereby company is reducing its utilisation of working capital limits.
- (b) Debt-Equity Ratio: Ratio is decrease mainly due to repayment of borrowings during the year.
- (c) Debt Service Coverage Ratio: Ratio is increased mainly due to increase in profits during the year.
- (d) Return on Equity Ratio: Ratio is improved mainly due to good profits during the year.
- (e) Trade Receivables turnover ratio: Ratio is decreased due to decrease in trade receivable during the year.
- (f) Net capital turnover ratio: Ratio is improved mainly due to increase in revenue during the year.
- (g) Net profit ratio: Ratio is improved mainly due to increase in operating margins during the year.

For Medicamen Organics Limited  
*Varsha Bhatnagar*  
Company Secretary

For MEDICAMEN ORGANICS LTD  
*[Signature]*  
Director



For Medicamen Organics Limited  
*[Signature]*  
CFO.

**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

Ratios	For the year ended March 31, 2023	For the year ended March 31, 2022	Variation (%)
(a) Current Ratio	0.95	0.88	8.34%
(b) Debt-Equity Ratio	1.31	1.28	2.70%
(c) Debt Service Coverage Ratio	0.23	0.14	65.51%
(d) Return on Equity Ratio	0.11	0.01	795.69%
(e) Inventory turnover ratio	2.46	3.63	(32.14%)
(f) Trade Receivables turnover ratio	2.60	3.05	(14.51%)
(g) Trade payables turnover ratio	2.27	2.67	(14.93%)
(h) Net capital turnover ratio	-	14.08	-
(i) Net profit ratio	4.38%	0.48%	805.34%
(j) Return on Capital employed	9.50%	3.99%	137.88%
(k) Return on investment	0.00%	0.00%	0.00%

**Reasons for Variation more than 25%:**

- (a) Debt Service Coverage Ratio: Ratio is improved mainly due to good profits during the year.  
(b) Return on Equity Ratio : Ratio is improved mainly due to good profits during the year.  
(c) Inventory turnover ratio : Ratio is decreased mainly due to decrease in average inventory.  
(d) Net capital turnover ratio : Ratio is improved mainly due to good profits during the year.  
(e) Net profit ratio: Ratio is improved mainly due to increase in operating margins during the year.  
(f) Return on Capital employed: Ratio is improved mainly due to good profits during the year.

For MEDICAMEN ORGANICS LTD.

*[Signature]*  
Director

*[Signature]*  
Director



For Medicamen Organics Limited

*[Signature]*

C.F.O.

For Medicamen Organics Limited

*[Signature]*  
Company Secretary



**Medicamen Organics Limited**  
CIN: U74899DL1995PLC066416

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

Ratios	For the year ended March 31, 2022	For the year ended March 31, 2021	Variation (%)
(a) Current Ratio	0.88	0.86	1.95%
(b) Debt-Equity Ratio	1.28	1.21	5.49%
(c) Debt Service Coverage Ratio	0.14	0.17	(19.88%)
(d) Return on Equity Ratio	0.01	0.04	(67.80%)
(e) Inventory turnover ratio	3.63	4.51	(19.56%)
(f) Trade Receivables turnover ratio	3.05	3.84	(20.66%)
(g) Trade payables turnover ratio	2.67	2.22	20.13%
(h) Net capital turnover ratio	- 9.41	- 8.44	11.47%
(i) Net profit ratio	0.48%	1.19%	(59.38%)
(j) Return on Capital employed	3.99%	5.53%	(27.82%)
(k) Return on investment	0.00%	0.00%	0.00%

**Reasons for Variation more than 25%:**

- (a) Return on Equity Ratio : Ratio is decreased mainly due to decrease in profits during the year.  
(b) Net Profit Ratio: Ratio is decreased mainly due to decrease in operating margins during the year.  
(c) Return on Capital Employed : Ratio is decreased mainly due to decrease in profits during the year.

xii. The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

For MEDICAMEN ORGANICS LTD  
  
Director  
  
Director



For Medicamen Organics Limited  
  
C.FO

For Medicamen Organics Limited

  
Company Secretary

**Medicamen Organics Limited**  
**CIN: U74899DL1995PLC066416**

**ANNEXURES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS**

- xiii. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, 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 on behalf of the Ultimate Beneficiaries.
- B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**CAPITALISATION STATEMENT AS AT**  
**March 31, 2024**

**ANNEXURE - XLIII**  
**(₹ In Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	1,249.51	-
Long Term Debt (B)	16.14	-
<b>Total debts (C)</b>	<b>1,265.65</b>	-
<b>Shareholders' funds</b>		
Share capital	860.00	-
Reserve and surplus - as Restated	658.40	-
<b>Total shareholders' funds (D)</b>	<b>1,518.40</b>	-
<b>Long term debt / shareholders funds (B/D)</b>	<b>0.01</b>	-
<b>Total debt / shareholders funds (C/D)</b>	<b>0.83</b>	-

Signatures to Annexures Forming Part Of The Restated Financial Statements

For and on behalf of the Board of Directors

**For MEDICAMEN ORGANICS LTD.**

**Bal Krishna Gupta**  
(Managing Director)  
DIN - 00032772  
Place : Delhi  
Date : 20-05-2024

*Bal Krishna Gupta*  
**Director**

**For MEDICAMEN ORGANICS LTD.**

*Ashutosh Gupta*  
**Ashutosh Gupta**  
(Director)  
DIN - 00039995

**For Medicamen Organics Limited**

*Lalit Gupta*  
**Lalit Gupta**  
(CFO)

**For Medicamen Organics Limited**

*Varsha Bansal*  
**Varsha Bansal**  
(Company Secretary)

## **OTHER FINANCIAL INFORMATION**

The restated audited financial statements of our Company for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are on page 160 of this RHP. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, 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 to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLM, nor any of their respective employees, directors, shareholders, affiliates, agents, advisors 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 derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

*(In Lakhs, except of per share data)*

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Basic earnings per share <sup>1</sup> (in ₹)	3.18	1.62	0.17
Diluted earnings per share <sup>2</sup> (in ₹)	3.18	1.62	0.17
EBITDA <sup>3</sup> (in ₹ lakhs)	475.56	268.37	140.85
Net worth <sup>4</sup> (in ₹ lakhs)	1518.40	897.99	801.06
Return on net worth <sup>5</sup> (%)	15.83%	10.79%	1.27%
Net asset value per Equity Share <sup>6</sup> (in ₹)	17.66	14.97	13.35

Notes:

- 1) Basic Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of equity shares outstanding during the year, read with note 1 above
- 2) Diluted Earnings per Equity Share (₹) = Restated profit for the year divided by Weighted average number of diluted equity shares outstanding during the year, read with note 1 above
- 3) Earnings before interest, tax, depreciation and amortisation (EBITDA) = Restated profit/(loss) for the respective year + tax expenses + finance costs + depreciation and amortisation.
- 4) ‘Net worth’: Share capital and other equity less capital reserves. Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.
- 5) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year
- 6) Net Asset Value per Equity Share = Net worth less preference share capital derived from Restated Financial Statements as at the end of the year divided by number of equity shares outstanding as at the end of year as per Restated Financial Statements after adjustment for Bonus Shares issued during the year.
- 7) The figures disclosed above are based on the Restated Financial Statements.

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## **FINANCIAL INDEBTEDNESS**

Our Company has availed loans in the ordinary course of business for meeting our working capital requirement. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, including change in our capital structure and change in our Articles of Association and Memorandum of Association. For details in relation to the borrowing powers of the Company, please see the section entitled “***Our Management – Borrowing Powers***” on page 143. The details of aggregate indebtedness of our Company are provided below:

### ***Facilities availed directly by our Company***

The aggregate outstanding borrowings (including fund based and non-fund-based borrowings) of our Company as on March 31, 2024 as certified by our Statutory Auditors vide certificate dated June 12, 2024, are as follows:

*(in ₹ lakhs)*

S. No.	Category of borrowing	Sanctioned amount	Principal amount outstanding as on March 31, 2024
<b><i>Secured loans</i></b>			
	<b>Our Company</b>		
<b>A</b>	<b><i>Fund based facilities</i></b>		
	(i) Term loans	461.00	434.76
	(ii) Overdrafts*	127.00	125.27
	(iii) Vehicle Loans	45.64	25.52
	(i) Machinery Loan	-	-
	(ii) Finance Lease	-	-
	(iii) Bill Discounting	-	-
	Total fund-based (A)		<b>585.55</b>
<b><i>Unsecured loans</i></b>			
<b>B</b>	Loan From Directors	-	680.10
	Total unsecured loans (B)	-	-
	<b>Grand Total (A + B)</b>	<b>633.64</b>	<b>1265.65</b>

*(The remainder of this page is intentionally left blank)*



**Principal terms of the secured borrowings currently availed by the Company:**

Name of lender and documents entered	Nature of Loan Facility	Amount Sanctioned (Rs in Lakhs)	Date of First Disbursement	Amount Disbursed (Rs in lakhs)	Amount Outstanding as on 31 March 2024 (Rs. In lakhs)	Rate of interest (%)	Security	Repayment Schedule
Axis Bank Ltd.	Working Capital	310.00 /410.00 /425.00 *	06/12/2019	310.00 /410.00 /425.00	427.65	Repo Rate +3.60% / Repo Rate +3.00%	Primary: Hypothecation of all existing & future Current asset and movable fixed assets of the company except vehicles financed by other banks/ FI. Collateral: 1. Equitable mortgage of leasehold industrial properties as detailed below: - 1. Plot no 60 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. 2. Plot no 61 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. Personal Guarantee: Bal Kishan Gupta Ashutosh Gupta	Repayment on Demand
Axis Bank Ltd.	OD Limit	99.75 /90.00 /127.00 #	18/12/2019	99.75 /90.00 /127.00	125.27	7.05%	110 % Cash margin in the form of a FD of the bank, with bank's lien noted thereon. Lien shall be marked on the FD till such time as the obligation under the overdraft facility is fully satisfied. The FD shall be in the name of the Partners or family members of Partners	Repayment on Demand

Axis Bank Ltd.	Car Loan	16.95	21/03/2022	16.95	10.83	7.25%	Car (Creta)	Tenure: 60 months EMI- Rs. 33,763/- Per Month
Axis Bank Ltd.	Car Loan	28.69	15/07/2021	28.69	14.69	7.45%	Car (KIA)	Tenure: 60 months EMI- Rs. 57,421/- Per Month
Axis Bank Ltd.	ECLGS	64.00	20/07/2020	64.00	7.11	Repo rate + 4.84% / Repo rate + 3.60% / Repo rate + 3.00%	Primary: Hypothecation of all existing & future Current asset and movable fixed assets of the company except vehicles financed by other banks / FI. Collateral: A) 1. Plot no 60 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. 2. Plot no 61 sector 6A, industrial area IIE Ranipur, SIDCUL Dist. Haridwar state of uttarakhand-249403 owned by medicamen organics limited. B) Extension of Hypothecation of entire Current assets & Moveable Fixed assets of the company both present & Future except Vehicles Financed by other bank/FI.	Tenure: 48 months incl. moratorium of 12 months EMI- Rs. 1,77,777/- Per Month

\*Earlier sanctioned amount was ₹ 310 Lakhs then increased to ₹ 410 Lakhs and then increased to ₹ 425 Lakhs

# Earlier sanctioned amount was ₹ 99.75 Lakhs and then reduced to ₹ 90 Lakhs and then increased to ₹ 127 Lakhs

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Red Herring Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### **BUSINESS OVERVIEW**

Our Company was incorporated on March 15, 1995 as '*Panchdeep Pharmaceuticals Limited*', a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 15, 1995 issued by the Registrar of Companies, National Capital Territory (NCT) of Delhi and Haryana. Subsequently, pursuant to a resolution passed by the Board of Directors in their meeting held on July 31, 1995 and by the Shareholders in their EGM held on October 14, 1995, the name of our Company was changed to '*Medicamen Organics Limited*' and a fresh certificate of incorporation dated November 14, 1995 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. The corporate identification number of our Company is U74899DL1995PLC066416.

We have consistently grown in terms of our revenues over the past years. In the past years our revenues from operation were Rs. 2,097.52 lakhs in F.Y.2021-22, Rs. 2,214.71 lakhs in the FY 2022-23 and Rs.2527.17 lakhs in the FY 2023-24. Our Net Profit after tax for the above-mentioned periods are Rs. 10.14 lakhs, Rs. 96.93 lakhs, Rs. 240.41 lakhs respectively.

### **FINANCIAL KPIs OF THE COMPANY:**

Particulars	(₹ in Lakhs)		
	For the year ended March 31		
	2024	2023	2022
Revenue from Operations (₹ in Lakhs)	2,527.17	2,214.71	2,097.52
Other Income (₹ in Lakhs)	1.79	81.53	21.15
Total Income (₹ in Lakhs)	2528.96	2,296.24	2,118.67
EBITDA (₹ in Lakhs)	475.56	268.37	140.85
EBITDA Margin (%) *	18.81%	12.12%	6.71%
Profit After Tax (₹ in Lakhs)	240.41	96.93	10.14
PAT Margin (%) *	9.51%	4.38%	0.44%
ROE (%)	19.90%	11.41%	1.27%
ROCE (%)	14.50%	9.71%	3.99%

\*EBITDA Margin has been calculated as a percentage of Total Income and PAT Margin has been calculated as a percentage of Revenue from Operations.

### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in this Red Herring Prospectus and the Risk Factors given in the Red Herring Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

#### ***Change in technology***

The industry in which we operate is significantly influenced by technological evolution and research. The evolution of technology plays a pivotal role in shaping the efficiency and competitiveness of manufacturing processes. Innovations in Manufacturing techniques, Moreover, the integration of automation and smart manufacturing technologies enhances

precision and reduces lead times, the non-adoption of such technology may have an adverse effect on our ability to manufacture our products as per requirement of customer preference.

#### ***Customers acquiring or starting their own product line up***

The emergence of customers acquiring or launching their own product lines poses a substantial risk to our business. Increased competition can erode our market share and diminish revenue streams, particularly if customers prioritize their own offerings over ours. This heightened competition may also lead to pricing pressures, impacting our profitability. Moreover, market saturation resulting from the influx of new product lines could make it challenging to differentiate our offerings and attract customers.

#### ***Regulatory actions by domestic and foreign entities on the company and its products***

Regulatory actions by domestic and foreign entities pose significant risks to us. Compliance costs may escalate due to inspections and audits, impacting profitability. Negative regulatory actions damage reputation, leading to decreased demand and market share loss. Legal consequences such as fines and litigation further strain finances and tarnish image. Market access restrictions hinder expansion efforts, while stringent regulations may slow down innovation. Including these risks in the prospectus provides investors with a comprehensive overview, enabling informed decision-making amidst regulatory uncertainties.

#### ***Price of raw material***

Raw material price fluctuations pose significant risks to us, impacting operational costs and financial stability. Sudden increases can erode profit margins, leading to financial losses and competitive disadvantage. Supply chain disruptions may ensue, causing production delays and product shortages. Inability to pass on cost increases can squeeze profitability and hinder growth. Exploration of alternative materials may introduce formulation changes or quality concerns. Maintaining operational efficiency becomes paramount amidst rising costs, necessitating prudent management and strategic planning. Investors benefit from understanding these risks for informed decision-making in the prospectus.

#### ***Regulatory Framework***

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business, however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

#### ***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.

#### ***Market & Economic conditions***

India is one of the largest economies and is growing at a rapid pace. But in this globalised economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown, the demand falls which has adverse impact on our business.

#### ***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 market players would further intensify competition. Moreover, as we seek to diversify into new geographical areas, new territories, new emerging markets, we may 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.

### ***COVID-19 Pandemic***

Since the onset of the COVID-19 pandemic in March 2020, our Company's operations have been affected as our employees faced the threat of getting infected. In 2020, cases of the novel corona virus started rapidly increasing in India, which led the government of India to impose a nationwide lockdown. The spread of Covid-19 and its recent developments have had and might continue to have repercussions across local, national and global economies. To prevent the spread of Covid-19 and to comply with the restrictions, we had to temporarily suspend our operations in order to follow the Government's norms. We continuously monitored the economic conditions and have outlined sufficient measures to combat the pandemic situation at our business premises. Once the lockdown was lifted, our operations restarted in full swing. Initially we did find a little hiccup in finding workers but because of our enterprising organization, we were able to source quality workforce and we were able to train them and we restarted our operations. After lifting the lockdown and resuming our operations the demand in our industry abruptly increased from the different sectors and we attained the highest production during the partial year 2020-21 and FY 2021-22. The demand after pandemic ultimately nullified the impact of shutdown during COVID 19 pandemic. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in the chapter "**Risk Factors**" beginning on Page No. 27. We are continuing to closely monitor the economic conditions and the effect of COVID-19 and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

### **Significant Developments after March 31, 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 Red Herring 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.

## **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **a) Basis Of Accounting and Preparation Of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at March 31, 2024, March 31, 2023 and March 31, 2022 and the related restated summary statement of profits and loss and cash flows for the year/period ended 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 of the Company for the year/period ended on March 31, 2024, March 31, 2023 and March 31, 2022 approved by the Board of Directors of the Company. 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 NSE in connection with its proposed 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 financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between

the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

**b) Use Of Estimates:**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**c) Property, Plant & Equipment And Intangible Assets**

**(i) Property, Plant & Equipment**

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

**(ii) Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

**d) Depreciation / Amortisation:**

Depreciation on fixed assets is calculated on a Written - Down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase. Intangible assets including internally developed intangible assets are amortised over the year for which the company expects the benefits to accrue. Intangible assets are amortized on straight line method basis over 10 years in pursuance of provisions of AS-26.

**e) Inventories:**

Inventory including raw materials, packing materials, Stores and Spares, Work-in-progress & finished goods are valued at lower of cost and net realizable value. Cost includes apportionment of labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location, wherever applicable. In determining the cost, the first-in-first-out method of valuation is used.

**f) Impairment of assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

**g) Investments:**

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis.

Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

**h) Foreign Currency Translations:**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

**i) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

**j) Provisions, Contingent Liabilities and Contingent Assets:**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**k) Revenue Recognition:**

Revenue is Recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and its reasonable to expect ultimate collection of it. Gross sales are of net trade discount, rebates, sales taxes and excise duties.

Revenue from services is recognized, when services have been performed as per terms of contract, amount can be measured and there is no significant uncertainty as to collection.

The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.

**l) Other Income:**

Interest Income on fixed deposit is recognized on time proportion basis. Other Income is accounted for when right to receive such income is established.

**m) Taxes On Income:**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax. Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**n) Cash and Bank Balances:**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

**o) Earnings Per Share:**

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**p) Employee Benefits:**

**Defined Contribution Plan:**

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

**Defined Benefit Plan:**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. Provision for gratuity has been made in the books as per actuarial valuation done as at the end of the year.

**q) Segment Reporting:**

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 and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. 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”.



## RESULTS OF OUR OPERATIONS

(Amount ₹ in lakhs)

Particulars	For the period ended 31st March, 2024	% of Total**	For the year ended 31st March, 2023	% of Total**	For the year ended 31st March, 2022	% of Total**
<b>INCOME</b>						
Revenue from Operations	2,527.17	99.93%	2,214.71	96.45%	2,097.52	99.00%
Other Income	1.79	0.07%	81.53	3.55%	21.15	1.00%
<b>Total Revenue (A)</b>	<b>2528.96</b>	<b>100.00%</b>	<b>2,296.24</b>	<b>100.00%</b>	<b>2,118.67</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Cost of material consumed	1,439.94	56.94%	1,398.16	60.89%	1,411.92	66.64%
Direct Expenses	286.91	11.34%	241.36	10.51%	225.41	10.64%
Changes In Inventories Of Work In Progress, Finished Goods & Stock-In-Trade	(146.99)	-5.81%	(59.80)	-2.60%	(71.36)	-3.37%
Employee benefits expense	335.39	13.26%	316.63	13.79%	287.36	13.56%
Finance costs	64.74	2.56%	61.24	2.67%	47.32	2.23%
Depreciation and amortization expense	71.94	2.84%	71.16	3.10%	68.01	3.21%
Other expenses	138.15	5.46%	131.52	5.73%	124.49	5.88%
<b>Total Expenses (B)</b>	<b>2190.08</b>	<b>86.60%</b>	<b>2,160.27</b>	<b>94.08%</b>	<b>2,093.15</b>	<b>98.80%</b>
<b>Profit/(Loss) before Tax</b>	<b>338.88</b>	<b>13.40%</b>	<b>135.97</b>	<b>5.92%</b>	<b>25.52</b>	<b>1.20%</b>
Tax Expense/ (benefit)						
(a) Current Tax Expense	96.42	3.81%	33.95	1.48%	3.98	0.19%
(b) Deferred Tax	2.05	0.08%	5.09	0.22%	13.75	0.65%
(c) MAT Credit Entitlement	-	0.00%	-	0.00%	(2.35)	-0.11%
<b>Net tax expense / (benefit)</b>	<b>98.47</b>	<b>3.89%</b>	<b>39.04</b>	<b>1.70%</b>	<b>15.38</b>	<b>0.73%</b>
<b>Profit/(Loss) for the year</b>	<b>240.41</b>	<b>9.51%</b>	<b>96.93</b>	<b>4.22%</b>	<b>10.14</b>	<b>0.48%</b>

\*\*Total refers to Total Revenue

### ***Components of our Profit and Loss Account***

#### ***Income***

Our total income comprises of revenue from operations and other income.

#### ***Revenue from Operations***

Our revenue from operation as a percentage of our total income was 99.93%, 96.45% and 99.00% for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Goods			
- Sale of Product and services	2,253.51	2,092.71	2,097.52
Sale of Services	273.66	122.00	-
<b>TOTAL</b>	<b>2,527.17</b>	<b>2,214.71</b>	<b>2,097.52</b>

#### ***Other Income***

Our Other Income consists of Interest Income, Duty Drawback, etc.

(₹ In Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on FD	1.34	0.81	2.33
Duty Drawback/RODTEP Received	0.28	0.66	-
Provision for Gratuity Written Back	-	0.96	-
Foreign Exchange Rate Difference	0.17	-	-
Amount Written Back	-	79.10	18.82
<b>TOTAL</b>	<b>1.79</b>	<b>81.53</b>	<b>21.15</b>

#### ***Expenditure***

Our total expenditure primarily consists of Cost of Material Consumed, Direct Expenses, Employee benefit expenses, Finance costs, Depreciation & Amortization Expenses and Other Expenses.

#### ***Direct Expenses***

Our direct expenses comprise primarily of Manufacturing expenses including Labor Charges, Clearing and Forwarding Charges, Power, Fuel & Water Expenses, Consumable Stores, Freight & Cartage Inwards, Analysis & Testing Charges, Laboratories Expenses, Effluent Treatment Expenses, Repairs & Maintenance expenses.

#### ***Employee Benefit Expenses***

Our employee benefits expense comprises of Salary and Allowances to Staff, Employer's Contribution to PF & ESIC, Gratuity expense, Director's Remuneration and Workmen & Staff Welfare expense.

#### ***Finance costs***

Our Finance cost expenses comprises of Bank Charges, Interest on Borrowings, Interest on late payments of TDS & Income Tax.

### Other Expenses

Other expenses primarily include Legal and Professional Charges, Security Service Charges, Registration charge, Travelling & Conveyance, Fees and Subscriptions, Miscellaneous expenses, Donation, GST Late Fees, Pollution fees, Amount Written off, Rates & Taxes, Housekeeping Expenses, Communication Expenses, Printing and Stationery, Vehicle running Expenses, Distribution Expenses, Commission on Sale Computer expenses, Office Expenses, Business Promotion expense, Freight & Cartage outwards, Foreign Exchange fluctuation expenses, Insurance Charges, Rent, Audit Fees.

(₹ In Lakhs)

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Administration, selling &amp; other expenses</b>			
Legal and Professional Charges	11.15	11.23	10.23
Security Service Charges	25.98	23.35	21.20
Registration charges	1.68	1.89	2.49
Travelling & Conveyance	10.18	5.89	5.58
Fees and Subscription	9.58	7.01	5.34
Miscellaneous expenses	14.76	8.97	10.09
Donation	1.50	-	2.00
GST Late Fees	-	0.01	0.14
Pollution fees	-	2.70	-
Amount Written off	10.11	-	-
Rates & Taxes	0.24	0.38	0.35
Housekeeping Expenses	1.94	1.41	1.78
Communication Expenses	4.45	4.08	3.98
Printing and Stationery	5.30	4.40	3.86
Vehicle running Expenses	4.66	4.63	2.51
Distribution Expenses	1.07	9.51	2.59
Commission on Sale	15.28	24.11	36.84
Computer expenses	1.60	2.20	3.68
Office Expenses	1.69	2.05	1.90
Business Promotion expense	3.01	5.60	1.09
Foreign Exchange fluctuation	-	1.42	0.09
Insurance Charges			
- Vehicles	1.11	1.59	1.08
- Stocks & Building	3.31	2.66	1.97
- Others	0.29	0.37	0.31
Rent	4.26	4.06	3.39
Audit Fees	5.00	2.00	2.00
<b>Total</b>	<b>138.15</b>	<b>131.52</b>	<b>124.49</b>

### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **Fiscal 2024 compared with fiscal 2023**

#### ***Revenue from Operations***

The Revenue from Operations of our company for fiscal year 2024 was ₹ 2,527.17 lacs against ₹ 2,214.71 lacs for Fiscal year 2023. An increase of 14.11% in revenue from operations. This increase was due to increase in sale of goods and increase in commission income comprising under Sales of Services amounting to ₹273.66 lacs.

#### ***Other Income***

The other income of our company for fiscal year 2024 was ₹ 1.79 lacs against ₹ 81.53 lacs for Fiscal year 2023. A decrease of 97.80% in other income. This decrease was due to there was no amount written back in this year which was there in fiscal 2023.

#### ***Total Income***

The total income of our company for fiscal year 2024 was ₹2,528.96 lacs against ₹ 2,296.24 lacs total income for Fiscal year 2023. An increase of 10.13% in total income. This increase was due to increase in revenue from sale of goods and increase of commission income.

#### ***Expenditure***

##### ***Cost of material consumed***

In Fiscal year 2024, our Cost of material consumed were ₹ 1,439.94 lacs against ₹ 1,398.16 lacs in fiscal year 2023. An increase of 2.99%. This increase was due to increase in sales of goods under the revenue from operations.

##### ***Direct Expenses***

In Fiscal year 2024, our direct expenses were ₹ 286.91 lacs against ₹ 241.36 lacs direct expenses in fiscal year 2023. An increase of 18.87%. This increase was due to increase in the cost of direct expenses like freight expenses, Power and fuel expenses, etc.

##### ***Changes In Inventories Of Work In Progress, Finished Goods & Stock-In-Trade***

In Fiscal 2024, our Changes In Inventories Of Work In Progress, Finished Goods & Stock-In-Trade were ₹ (146.99) lacs against ₹ (59.80) lacs in fiscal 2023.



### ***Employee Benefit Expenses***

In Fiscal year 2024, our Company incurred for employee benefit expenses ₹ 335.39 lacs against ₹ 316.63 lacs expenses in fiscal year 2023. An increase of 5.92%. This increase was attributable to annual appraisal cycle of employees.

### ***Finance Costs***

The finance costs for the Fiscal year 2024 was ₹ 64.74 lacs while it was ₹ 61.24 lacs for Fiscal year 2023. An increase of 5.72% was primary due to increase in short term borrowings.

### ***Other Expenses***

In fiscal year 2024, our other expenses were ₹ 138.15 lacs and ₹ 131.52 lacs in fiscal year 2023. This increase of 5.04% was due to increase in travelling and conveyance expense amounting to ₹ 10.18.

### ***Profit/ (Loss) before Tax***

Our Company had reported a profit before tax for the Fiscal year 2024 of ₹ 338.88 lacs against profit before tax of ₹ 135.97 lacs in Fiscal year 2023. An increase of 149.23%. This increase was primarily due to increase in Merchant Export of the goods of the Company and the other major reason is increase in Commission income which gives better margin.

### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal year 2024 was at ₹ 240.41 lacs against profit after tax of ₹ 96.93 lacs in fiscal year 2023. An increase of 148.02%. This increase was primarily due to increase in Merchant Export of the goods of the Company and the other major reason is increase in Commission income which gives better margin.

In covid-19 period as only the medicines related to covid treatment saw a hike, all other medicines demand slowed down due to lockdown and fear of people to go to physicians. There were only few medicines for covid and govt tender orders that we were complying and the manufacturing facilities were operating to avoid any kind of shortage in the market. Exports of major medicines were also banned by the government and due to which we could not manufacture and sell products which could give us better profit margins during that period. Further our revenues include a segment which is sell to Merchant Exporters which enhances our margins ranging from 5% to 20% than the other sales that we do and fiscal 2022 we sold to merchant exporters of Rs. 6.51 Cr, In fiscal 2023 Rs. 6.33 Cr and in Fiscal 2024 for 10.18 Cr. This was one reason due to which the profit margin has increased the other reason is the commissioning business that the Company has entered in Fiscal 2023 which gives us better margin evidencing that in fiscal 2023 revenue from commissioning was 1.22 Cr and in fiscal 2024 the revenue from commissioning was Rs. 273.66 Cr which gave us an enhancement in the profit margins in the fiscal year 2024.

### ***Fiscal 2023 compared with fiscal 2022***

### ***Revenue from Operations***

The Revenue from Operations of our company for fiscal year 2023 was ₹ 2,214.71 lacs against ₹ 2,097.52 lacs total income for Fiscal year 2022. An increase 5.59% in revenue from operations. This increase was due to addition of new streamline of revenue i.e., commission income comprising under Sales of Services amounting to ₹122 lacs.

### ***Other Income***

The other income of our company for fiscal year 2023 was ₹ 81.53 lacs against ₹ 21.15 lacs for Fiscal year 2022. An increase 285.48% in total income. This increase was due to amount written off of unspent liabilities worth ₹79.10 lakhs in FY 2023.

### ***Total Income***

The total income of our company for fiscal year 2023 was ₹ 2,296.24 lacs against ₹ 2,118.67 lacs total income for Fiscal year 2022. An increase 8.38% in total income. This increase was due to commission income and amount written off.

### ***Expenditure***

### ***Cost of material consumed***

In Fiscal 2023, our Cost of material consumed were ₹1,398.16 lacs against ₹ 1,411.92 lacs in fiscal 2022. A decrease of 0.97%. This marginal decrease was due to price fluctuations in the cost of raw materials and packing materials.

### ***Direct Expenses***

In Fiscal 2023, our direct expenses were ₹ 241.36 lacs against ₹ 225.41 lacs direct expenses in fiscal 2022. An increase of 7.08%. This increase was due to increase in the cost of direct expenses like freight expenses, Power and fuel expenses, etc.

### ***Changes In Inventories of Work In Progress, Finished Goods & Stock-In-Trade***

In Fiscal 2023, our Changes in Inventories of Work in Progress, Finished Goods & Stock-In-Trade were ₹ (59.80) lacs against ₹ (71.36) lacs in fiscal 2022.

### ***Employee Benefit Expenses***

In Fiscal 2023, our Company incurred for employee benefit expenses ₹ 316.63 lacs against ₹ 287.36 lacs expenses in fiscal 2022. An increase of 10.19%. This increase was attributable to annual appraisal cycle of employees.

### ***Finance Costs***

The finance costs for the Fiscal 2023 was ₹ 61.24 lacs while it was ₹ 47.32 lacs for Fiscal 2022. An increase of 29.42% was due to increase in cost and sanctioned limits of working capital loans.

### ***Other Expenses***

In fiscal 2023, our other expenses were ₹131.52 lacs and ₹ 124.49 lacs in fiscal 2022. This increase of 5.65% was primarily due to increase in the business promotion expenses amounting to ₹ 5.60 lacs in fiscal year 2023.

### ***Profit/ (Loss) before Tax***

Our Company had reported a profit before tax for the Fiscal 2023 of ₹ 135.97 lacs against profit before tax of ₹ 25.52 lacs in Fiscal 2022. An increase of 432.80%. This increase was primarily due to additional streamline of revenue i.e., commission income and increase in other income.

### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal 2023 was at ₹ 96.93 lacs against profit after tax of ₹ 10.14 lacs in fiscal 2022. An increase of 855.92%. This increase was in relation with the increase in profit before tax which increase primarily due to additional streamline of revenue i.e., commission income and increase in other income.

### ***Cash Flows***

*(Amount ₹ in lakhs)*

Particulars	For the year ended March 31,		
	2024	2023	2022
Net Cash flow from Operating Activities	(368.85)	(58.37)	3.74
Net Cash flow from Investing Activities	(33.30)	(28.13)	(59.31)
Net Cash flow from Financing Activities	401.41	93.69	18.28

### ***Cash Flows from Operating Activities***

- For the year ended March 31, 2024, net cash used in operating activities was ₹ 368.85 Lakhs. This comprised of the profit before tax of ₹ 338.88 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 71.94 Lakhs and Finance cost of ₹ 64.74 Lakhs and Amount written off of ₹ 10.11 Lakhs. The resultant operating profit before working capital changes was ₹ 489.12 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 603.29 Lakhs, increase in inventory of ₹ 0.36 lakhs, increase in loans and advances of ₹ 48.61 lakhs, decrease in other assets of ₹ 4.61 lakhs, decrease in trade payables of ₹ 191.90 Lakhs and increase

in other current liabilities and provisions of ₹ 2.89 Lakhs. Cash used in Operations was ₹ 347.54 Lakhs which was reduced by Direct Tax paid for ₹ 21.31 Lakhs resulting into Net cash flow used in operating activities of ₹ 368.85 Lakhs.

2. In FY 2023, net cash used in for operating activities was ₹ 58.37 Lakhs. This comprised of the profit before tax of ₹ 135.97 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 71.16 Lakhs and Finance cost of ₹ 61.24 Lakhs and amount written back of ₹ 79.10. The resultant operating profit before working capital changes was ₹ 189.15 Lakhs, which was primarily adjusted for an increase in trade receivables during the year of ₹ 452.28 Lakhs, increase in inventory of ₹ 141.72 lakhs, decrease in loans and advances of ₹ 59.30 lakhs, increase in other assets of ₹ 5.11 lakhs, and increase in trade payables ₹ 248.05 Lakhs and increase in other current liabilities and provisions of ₹ 49.03 Lakhs. Cash used in Operations was ₹ 53.58 Lakhs which was reduced by Direct Tax paid for ₹ 4.79 Lakhs resulting into Net cash flow used in operating activities of ₹ 58.37 Lakhs.
3. In FY 2022, net cash generated from operating activities was ₹ 3.74 Lakhs. This comprised of the profit before tax of ₹ 25.52 Lakhs, which was primarily adjusted for depreciation and amortization expenses of ₹ 68.01 Lakhs and Finance cost of ₹ 47.32 Lakhs and amount written back of ₹ 18.82. The resultant operating profit before working capital changes was ₹ 125.48 Lakhs, which was primarily adjusted for a decrease in trade receivables during the year of ₹ 128.37 Lakhs, increase in inventory of ₹ 206.09 lakhs, increase in loans and advances of ₹ 37.41 lakhs, increase in other assets of ₹ 1.37 lakhs and increase in trade payables ₹ 48.13 Lakhs and decrease in other current liabilities and provisions of ₹ 46.83 Lakhs. Cash Generated from Operations was ₹ 10.28 Lakhs which was reduced by Direct Tax paid for ₹ 6.54 Lakhs resulting into Net cash flow generated from operating activities of ₹ 3.74 Lakhs.

#### ***Cash Flows from Investment Activities***

1. In FY 2024, net cash used in investing activities was ₹ 33.30 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 34.64 Lakhs, receipt of interest income of 1.34 lakhs.
2. In FY 2023, net cash used in investing activities was ₹ 28.13 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 28.94 Lakhs, receipt of interest income of 0.81 lakhs.
3. In FY 2022, net cash used in investing activities was ₹ 59.31 Lakhs, which primarily comprised of cash used for the purchase of property, plant, and equipment of ₹ 61.64 Lakhs, receipt of interest income of 2.33 lakhs.

#### ***Cash Flows from Financing Activities***

1. In FY 2024, net cash generated from financing activities was ₹ 401.41 Lakhs, which predominantly comprised of issuance of share of ₹ 60 lakhs, securities premium of ₹ 120 lakhs, proceeds in borrowings of ₹ 286.15 Lakhs adjusted with payment of finance cost of ₹ 67.74 Lakhs.
2. In FY 2023, net cash generated from financing activities was ₹ 93.69 Lakhs, which predominantly comprised of Increase in borrowings of ₹ 154.93 Lakhs, adjusted with payment of finance cost of ₹ 61.24 Lakhs.
3. In FY 2022, net cash generated from financing activities was ₹ 18.28 Lakhs, which predominantly comprised of increase in borrowings of ₹ 65.60 Lakhs, adjusted with payment of finance cost of ₹ 47.32 Lakhs.

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

Except COVID-19 or any such kind of pandemic and as described in this Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “**Risk Factors**” beginning on page no. 27 of the Red Herring Prospectus. To our knowledge, except as we have described in the Red Herring Prospectus, there are no known factors which we expect to bring about significant economic changes.

#### **3. Known trends or uncertainties that have/had or are expected to have a material adverse impact on revenue or income from continuing operations**

Apart from the risks as disclosed under Chapter titled “Risk Factors” beginning on page no. 27 in this 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, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Our Company’s future costs and revenues will be determined by demand/supply situation, both of the end products/services as well as the raw materials, government policies and other economic factors.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices.**

Our company is engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage form such as Tablets, Capsules, Oral Liquids and Ointments to institutions (including both state and central governments) in domestic as well as international markets through third party distributors. Increases in revenues are by and large linked to increases in volume of business and also dependent on the price realization on our products/services.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Our company is engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage form such as Tablets, Capsules, Oral Liquids and Ointments to institutions (including both state and central governments) in domestic as well as international markets through third party distributors. Relevant Industry data as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 95 of this Red Herring Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our company is engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage form such as Tablets, Capsules, Oral Liquids and Ointments to institutions (including both state and central governments) in domestic as well as international markets through third party distributors. Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**8. The extent to which business is seasonal.**

Our company is engaged in developing, manufacturing and distribution of broad range of pharmaceutical dosage form such as Tablets, Capsules, Oral Liquids and Ointments to institutions (including both state and central governments) in domestic as well as international markets through third party distributors.. Our Company’s business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers.**

The percentage of contribution of our top ten customer vis-à-vis the total revenue from operations respectively as on period ended on March 31, 2024 and FY 2022-23, FY 2021-22 and FY 2020-21 is 68.67%, 62.00%, 66.45% and 55.82% respectively.

**10. Competitive conditions:**

We face competition from existing and potential competitors which is common for any business. We have, over a period, developed certain competitors who have been discussed in chapter titles “Our Business” beginning on page no. 101 of this Red Herring Prospectus.

*(The remainder of this page is intentionally left blank)*



**CAPITALISATION STATEMENT***(In Lakhs)*

Particulars	Pre-Issue	Post Issue
	March 31, 2024	
<b>Debt</b>		<b>[●]</b>
Short Term Debt	1,249.51	
Long Term Debt	16.14	
<b>Total Debt</b>	<b>1,265.65</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	860.00	
Reserves & Surplus	658.40	
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>1,518.40</b>	
<b>Long Term Debt/Equity</b>	<b>0.01</b>	
<b>Total Debt/Equity</b>	<b>0.83</b>	

Notes:

1. Short term debts represent the debts which are expected to be paid/payable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above and also excludes installment of term loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as on March 31, 2024.

*(The remainder of this page is intentionally left blank)*

**SECTION VII – LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, the Directors, the Promoters and the Group Companies in the last five Fiscals, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**").*

*Our Board, in its meeting held on December 26, 2023, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation ("**Material Litigation**") (i) if the aggregate amount involved exceeds 2% of the revenue from our operations for the latest Financial Year as per Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated December 26, 2023. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding a threshold of ₹35.35 Lakhs 5% of total creditors as per the Restated Financial Statements of our Company disclosed in this Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on March 31, 2024 were ₹ 707.96 lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Red herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

**I. Litigation involving our Company**

**A. Litigation filed against our Company**

**Criminal proceedings**

**i) *The State of Andhra Pradesh vs. Medicamen Organics Limited and Hukum Chand Sharma - SC.MU/221/2023***

The State of Andhra Pradesh ("**Complainant**") filed a complaint bearing no. SC.MU/221/2023 ("**Complaint**") against Medicamen Organics Limited ("**MOL**") and Hukum Chand Sharma ("**Accused No. 2**") (Mol and Accused No. 2 collectively referred to as the "**Accused**") before the Honorable Court of First Additional Chief Metropolitan Magistrate Court, Vishakhapatnam (the "**Court**"). R. Lalita ("**Drugs Inspector**") inspected Sri Jeevan Sanjeevini Pharmacy and took sample Clopinol-AT ("**Sample Drug**"), which was manufactured by MOL and sent it to the Government Analyst for analysis. The Analytical report suggested that the sample drug is "Not of Standard Quality" for the reason that it does not meet the standard described in the Drugs and Cosmetics Act, 1940 (the "**Act**"). Subsequently, the Drugs Inspector addressed a letter to MOL, requesting details of a list of things, including the manufacture and sale of the sample drug. Vide its reply dated January 18, 2021, MOL

confirmed the manufacture and sale of the sample drug and informed that they are not accepting the said analytical report as they are unaware on the Analytical/Testing protocol followed by the Government Analyst. Thereafter, this Complaint was filed against the Accused because the Complainant claims that the Accused have contravened Section 18(a)(i) read with Section 17-B and Section 18(a)(i) r/w Section 16(1)(a) of the Act. The matter is currently pending and the next hearing date is December 3, 2024.

ii) ***State of Punjab vs. Bal Kishan Gupta, Ashutosh Gupta, Hukum Chand Sharma and Medicamen Organics Limited - COMA/1076/2022***

The State of Punjab ("**Complainant**") filed a complaint bearing no. COMA/1076/2022 ("**Complaint**") against Bal Kishan Gupta ("**Accused No. 1**"), Ashutosh Gupta ("**Accused No. 2**"), Hukum Chand Sharma ("**Accused No. 3**") and Medicamen Organics Limited, ("**MOL**") (Accused No. 1, Accused No. 2, Accused No. 3 and MOL collectively referred to as the "**Accused**") before the Honorable Court of Chief Judicial Magistrate, Bathinda. On November 25, 2019, the Complainant visited Regional Drug Warehouse situated inside Civil Hospital, Bathinda. Two type of allopathic drugs, Sample No. BTI/GB/29/2019 ("**Sample No. 1**") and BTI/GB/30/2019 ("**Sample No. 2**") (Sample No. 1 and Sample No. 2 collectively, the "**Samples**") were taken by the Complainant for test and analysis. The Government Analyst Punjab, Chandigarh vide their test reports no. 3069 and 3070 (collectively, "**Test Reports**") dated December 11, 2019 pertaining to Sample No. 1, which was manufactured by MOL, found them to be "Not of Standard Quality" due to descriptions specified in the Drugs and Cosmetics Act, 1940 ("**The Act**"). Similarly, Sample No. 2 was also declared "Not of Standard Quality" as per the Act.

Thereafter, two notices vide No. Drugs/2020/20 dated January 17, 2020 and No. Drugs/2020/22 dated January 17, 2020 along with copy of the test report and sealed sample portion of both the samples were sent to MOL, demanding MOL to disclose information and records of Manufacturing, Sale, Stock and Distribution of drug in question. Vide replies dated February 20, 2020 and February 24, 2020, MOL admitted that both the drug samples were manufactured by MOL and displayed their intention to adduce evidence in controversion to the test reports and retest both the samples. Subsequently, on August 13, 2020, two applications were filed separately in the Court of Additional Chief Judicial Magistrate, Bathinda (the "**Court**"), to retest both the drugs in question. The two reports were received in the Court on December 16, 2020, from the Director In charge, Central Drugs Laboratory, Kolkata and the samples were found to be "Not of Standard Quality". According to the Complainant, multiple letters were sent to the Accused, but there was no response. This Complaint has been filed because the Complainant claims that the Accused have contravened Section 18(a)(i) read with Section 17-B of the Act. The matter is currently pending and the next hearing date is July 4, 2024.

iii) ***Harsh Manglik vs. Medicamen Organics Limited - Criminal Case/2169/2023***

Harsh Manglik ("**Complainant**") filed a criminal case bearing no. 2169/2023 against Medicamen Organics Limited ("**MOL**") before the Court of Additional Chief Judicial Magistrate, Roorkee. According to the Complainant, MOL was liable to pay an amount of ₹1,13,280 for certain goods purchased in the year 2022-23. MOL issued a cheque dated February 15, 2023 for the required amount, however, upon depositing the cheque, MOL's Bank returned it to the Complainant's bank with a note of "Payment Stopped by Drawer" on May 4, 2023. Hence, the Complainant has filed this case and prayed that MOL be summoned under Section 138 of the Negotiable Instruments Act, 1881 and pay Rs. 1,13,280, along with interest to the Complainant. The matter is still pending. The next date of the matter is July 4, 2024

iv) ***Harsh Manglik vs. Medicamen Organics Limited - Criminal Case/2321/2023***

Harsh Manglik ("**Complainant**") filed a criminal case bearing no. 2321/2023 against Medicamen Organics Limited ("**MOL**") before the Court of Additional Chief Judicial Magistrate, Roorkee. According to the Complainant, MOL was liable to pay an amount of Rs. 1,78,770, Rs. 1,96,470 and Rs. 1,29,387 for certain goods purchased in the year 2022-23. MOL issued cheques dated February 20, 2023, February 25, 2023 and February 25, 2023, respectively, for the required amount. However, upon depositing the cheques, MOL's Bank returned it to the Complainant's bank with a note of "Payment Stopped by Drawer" on May 19, 2023. Hence, the Complainant has filed this case and prayed that MOL be summoned under Section 138 of the Negotiable Instruments Act, 1881 and pay the aforementioned amounts along with interest to the Complainant. The matter is still pending. The next date of the matter is July 19, 2024

v) ***Harsh Manglik vs. Medicamen Organics Limited - Criminal Case/2326/2023***

Harsh Manglik ("**Complainant**") filed a criminal case bearing no. 2326/2023 against Medicamen Organics Limited ("**MOL**") before the Court of Additional Chief Judicial Magistrate, Roorkee. According to the Complainant, MOL was liable to pay an amount of Rs. 2,17,911 for certain goods purchased in the year 2022-23. MOL issued a cheque dated April 20, 2023 for the required amount, however, upon depositing the cheque, MOL's Bank returned it to the Complainant's bank with a note of "Exceeds Arrangement" on May 19, 2023. Hence, the Complainant has filed this case and prayed that MOL be summoned under Section 138 of the Negotiable Instruments Act, 1881 and pay Rs. 2,17,911, along with interest to the Complainant. The matter is still pending. The next date of the matter is July 19, 2024

vi) ***Harsh Manglik vs. Medicamen Organics Limited - Criminal Case/2325/2023***

Harsh Manglik ("**Complainant**") filed a criminal case bearing no. 2325/2023 against Medicamen Organics Limited ("**MOL**") before the Court of Additional Chief Judicial Magistrate, Roorkee. According to the Complainant, MOL was liable to pay an amount of Rs. 1,96,647, Rs. 1,14,035 and Rs. 1,96,647 for certain goods purchased in the year 2022-23. MOL issued cheques dated March 30, 2023, April 25, 2023 and April 30, 2023, respectively, for the required amount. However, upon depositing the cheques, MOL's Bank returned it to the Complainant's bank with a note of "Exceeds Arrangements" on May 19, 2023. Hence, the Complainant has filed this case and prayed that MOL be summoned under Section 138 of the Negotiable Instruments Act, 1881 and pay the aforementioned amounts along with interest to the Complainant. The matter is still pending. The next date of the matter is July 19, 2024

vii) ***Harsh Manglik vs. Medicamen Organics Limited - Criminal Case/2327/2023***

Harsh Manglik ("**Complainant**") filed a criminal case bearing no. 2327/2023 against Medicamen Organics Limited ("**MOL**") before the Court of Additional Chief Judicial Magistrate, Roorkee. According to the Complainant, MOL was liable to pay an amount of Rs. 1,25,670, Rs. 89,385 and Rs. 1,96,647 for certain goods purchased in the year 2022-23. MOL issued cheques dated March 15, 2023, March 25, 2023 and March 30, 2023, respectively, for the required amount. However, upon depositing the cheques, MOL's Bank returned it to the Complainant's bank with a note of "Exceeds Arrangements" on May 19, 2023. Hence, the Complainant has filed this case and prayed that MOL be summoned under Section 138 of the Negotiable Instruments Act, 1881 and pay the aforementioned amounts along with interest to the Complainant. The matter is still pending. The next date of the matter is July 19, 2024.

viii) ***Drug Inspector vs. Medicamen Organics Limited, Ashutosh Gupta, Bal Kishan Gupta and Hukum Chand Sharma – CC/713/2023***

The case has been filed by the Drug Inspector in the Judicial First Class Magistrate Court, Thalassery bearing no. CC/713/2023 against Medicamen Organics Limited, Ashutosh Gupta, Bal Kishan Gupta and Hukum Chand Sharma on June 6, 2023. The Company has not been served with any summons as on date, the matter is pending for re-issuance of Summons. The next date of the matter is July 23, 2024.

**Outstanding actions by regulatory and statutory authorities**

The State of Andhra Pradesh vs. Medicamen Organics Limited and Hukum Chand Sharma - SC.MU/221/2023

For details, please see "Outstanding Litigation and Material Developments – Litigations filed against our Company- Criminal proceedings" beginning on page 180.

**Material civil proceedings**

Nil



B. *Litigation filed by our Company*

1. **Criminal proceedings**

i) ***Medicamen Organics Limited vs. Wafture Healthcare Private Limited – Criminal Complaint NI 1941 of 2022***

Medicamen Organics Limited (“**Complainant**”) filed a criminal complaint under Section 138 of the Negotiable Instruments Act, 1881 bearing number 1941/2022 before the Chief Metropolitan Magistrate, North-West Delhi against M/s Wafture Healthcare Private Limited (“**Respondent**”).

The Respondent had been regularly purchasing medicines from the Complainant. A regular account was maintained between the companies indicating the purchases and outstanding amount. The Respondent issued a cheque dated March 25, 2022, for ₹5,70,461 (Rupees Five Lakh, Seventy Thousand, Four Hundred Sixty-One) in response to invoice demands raised by the Complainant. The cheque was deposited by the Complainant for realization. However, the same was returned as “*unpaid*” because of the insufficiency of funds in the drawer’s account. Subsequent to this a demand notice was raised by the Complainant vide a speed post on May 21, 2022, and the same was received by the Respondent’s representatives, however, they failed to make the payment. Thus, this complaint was filed. The matter is presently pending. The next date of hearing is July 15, 2024.

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ lakhs)
Direct Tax	7 <sup>*^</sup>	19.11
Indirect Tax	8 <sup>#</sup>	178.08
<b>Total</b>	<b>15</b>	<b>197.19</b>

<sup>\*</sup>Inclusive of a notice for Incorrect Claim under section 143(1)(a)(ii) for an amount of ₹29,93,532 from the Income Tax Department in the assessment year 2017-18; and notice under section 143(1)(a) of Income Tax Act, 1961 for an amount of Rs.36,148 from the Income Tax Department in the assessment year 2018-19; and outstanding tax demands amounting to (i) ₹ 56 under section 1431a of Income Tax Act, 1961, (ii) ₹ 20,000 under section 272(A)(1)(d) of Income Tax Act, 1961, (iii) ₹ 13,07,280 under section 143(3) of Income Tax Act, 1961.

<sup>^</sup>Inclusive of: intimation under section 200A of the Income Tax Act, 1961 for an amount of Rs. 420 and Rs. 2,930 from the TDS centralized processing cell in the assessment year 2020-21; and TDS demands amounting to ₹5,79,980 for the financial year 2023-24, ₹20 for the financial year 2017-18 and ₹56,700 for the financial year 2012-13.

- i) <sup>#</sup> Includes: show cause notice under section 122 of CGST Act and DGST Rules for amounting to ₹75,000 for non-compliance with mandatory implementation of e-invoicing under sub rule (4) of Rule 48 of the CGST Rules, 2017; notice under rule 88C of the DGST Rules and Section 50 of the CGST Act for liability mismatch amounting to ₹38,28,380.08; intimation under section 61 of the CGST Act and the UKGST Rules of the DGST Rules for excess availment of ITC amounting to ₹37,81,994.18; assessment order dated April 29, 2023 under section 73(5)/74(5) of the CGST Act amounting to ₹1,22,899; demand vide order under section 74 of the CGST Act amounting to ₹42,270; and order notice dated April, 26 2024 under section 73(9) of CGST Act 2017 and the UKGST Rules for the Financial Year 2018-19 for a demand of ₹89,73,470; notice for demand under section 43/48/49 of Uttarakhand Value Added Tax Act, 2005 amounting to ₹9,60,687; Notice raised by the Deputy Commissioner w.r.t to Demand Order Number – ZD050423017837F dated October 30, 2023, to the Bank Manager of Axis Bank (Ashok Vihar Branch) in relation to a demand of ₹23,641 (“Demand”) owed by our Company towards tax, cess, interest and penalty payable under the provisions of SGST/CGST/UTGST/CESS/IGST in compliance with Section 79(1)(i)(c) of the Income Tax Act, 1961. Company is in a process to file an appeal for the impugned order.

II. **Litigation involving our Directors (other than Promoters)**

A. *Litigation filed against our Directors (other than Promoters)*

1. **Criminal proceedings**

Nil.

2. **Outstanding actions by regulatory and statutory authorities**

Nil.

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil.

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	Nil	Nil

**III. Litigation involving our Promoters**

**A. Litigation filed against our Promoters**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

**i) Suchitra Gupta vs. Ashutosh Gupta and Others- Civil Suit (OS) 5 of 2021**

Suchitra Ashutosh Gupta (“**Plaintiff**”) filed a suit for permanent and mandatory injunction bearing no. CS 5/2021 against Ashutosh Gupta, Bal Krishna Gupta and Renu Gupta (“**Defendants**”) in the Hon’ble Court of Senior Civil Judge North West, Rohini Courts New Delhi.

The Plaintiff and the Defendant No. 1 were legally married. However, the plaintiff claims that after a few years of marriage, she was subjected to torture from the defendants and was forced to leave her matrimonial house by the defendants which she resisted. Hence, the plaintiff filed this suit for permanent and mandatory injunction so that the plaintiff cannot be dispossessed from her matrimonial house. The matter is currently pending. The next date of the matter is September 24, 2024.

**B. Litigation filed by our Promoters**

**1. Criminal proceedings**

Nil

## 2. Material civil proceedings

### i) *Bal Krishna Gupta vs. Suchitra Gupta & Ashutosh Gupta – Suit No. 60 of 2022*

Bal Krishna Gupta (“**Plaintiff**”) filed a suit for permanent and mandatory injunction bearing no. 60 of 2022 against Suchitra Gupta (“**Defendant No. 1**”) and Ashutosh Gupta (“**Defendant No. 2**”) (Defendant No. 1 and Defendant No. 2 collectively, “**Defendants**”) in the Hon’ble Court of Senior Civil Judge North West, Rohini Courts New Delhi.

The Plaintiff is a senior citizen and the father-in-law of Defendant No. 1. The Plaintiff claims that due to marital problems of the Defendants the Plaintiff has to suffer and that the Defendant No.1 is leaving the property owned by the Plaintiff. Hence, the plaintiff filed this suit for permanent and mandatory injunction so that the Defendant No. 1 can vacant the possession of the Plaintiff’s residence. The matter is currently pending. The next date of the matter is July 29, 2024.

### ii) *Ashutosh Gupta vs Suchita Gupta H.M.A. Case No. 1501 of 2020*

Our Director, Ashutosh Gupta (“**Petitioner**”) filed a petition bearing No, H.M.A Case No. 1501 of 2020 for dissolution of marriage by a decree of divorce under section 13 (1) (ia) of Hindu Marriage Act, 1955, on the grounds of cruelty from his wife against Sachi Gupta (“**Respondent**”) before Hon’ble Family Court, Rohini, Delhi vide petition no. H.M.A 1501/2020 dated November 2, 2020. The matter is presently pending. The Next date of the matter is July 29, 2024.

## C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ lakhs)
Direct Tax	11*	32.38
Indirect Tax	Nil	Nil
<b>Total</b>	<b>11</b>	<b>32.38</b>

\* Income tax Department has a raise a demand for Bal Krishna Gupta of (i) ₹ 13,730 under section 1431a of the Income tax Act 1961, for the Financial Year 2013-2014 (ii) ₹ 17,200 under section 1431a of the Income tax Act 1961 for the Financial Year 2012-13, (iii) ₹ 78,050 under section 1431a of the Income tax Act 1961 for the Financial Year 2015-2016, (iv) ₹ 77,360 under section 1431a of the Income tax Act 1961 for the Financial Year 2008-2009 (v) ₹ 1,57,070 under section 1431a of the Income tax Act 1961 for the Financial Year 2019-2020 (vi) ₹ 18,08,780 under section 1431a of the Income tax Act 1961 for the Financial Year 2009-2010 (vii) 1,73,230

\*Income tax Department has a raise a demand for Ashutosh Gupta of (i) ₹ 5,527 under section 143(1) of the Income tax Act 1961, for the Financial Year 2002-2003 (ii) ₹ 4,03,738 under section 1431a of the Income tax Act 1961 for the Financial Year 2010-2011, (iii) ₹ 30870 under section 1431a of the Income tax Act 1961 for the Financial Year 2016-2017, (iv) ₹ 5,75,853 under section 1431a of the Income tax Act 1961 for the Financial Year 2009-2010

## Outstanding dues to creditors

As per the Restated Financial Statements, 5 % of our trade payables as at March 31, 2024, was Rs. 707.96 Lakhs and accordingly, creditors to whom outstanding dues exceed Rs.35.35 Lakhs have been considered as material creditors for the purposes of disclosure in this Red Herring Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2024, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in ₹ lakhs)
Material creditors	2	219.69
Micro, Small and Medium Enterprises	37	117.28
Other creditors	240	590.67
<b>Total*</b>	<b>277</b>	<b>707.96</b>

## **Material Developments**

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2024*" on beginning on page 165 there have not arisen, since the date of the last financial information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next months.

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## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 27, these material approvals are valid as of the date of this. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 124 of this RHP.*

*Our Company is in the process to submit the necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.*

### **I. Material approvals obtained in relation to the Issue**

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on December 8 2023, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on December 7, 2023, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the NSE Emerge, dated June 10, 2024.

### **II. Material approvals obtained in relation to our business and operations**

Our Company and our Subsidiaries have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### **A. Incorporation details of our Company**

- a. Certificate of incorporation dated March 15, 1995 in the name of “*Panchdeep Pharmaceuticals Limited*”, issued to our Company by the Registrar of Companies, Delhi.
- b. Fresh Certificate of Incorporation dated November 14, 1995, pursuant to the change in the name of our Company from “*Panchdeep Pharmaceuticals Limited*” to “*Medicamen Organics Limited*” issued to our Company by the Registrar of Companies, Delhi.

#### **B. Tax Related approvals obtained by our Company**

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AABCM4302P	Income Tax Department	November 14, 1995	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	DELM05831A	Income Tax Department	February 17, 2024	Valid till cancelled
3.	GST Registration Certificate - Uttarakhand	05AABCM30WP3ZH	Goods and Services Tax Department	September 2, 2020	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
4.	GST Registration Certificate - Uttarakhand	05AABCM4302P1ZJ	Goods and Services Tax Department	September 3, 2020	Valid till cancelled
5.	GST Registration Certificate - Delhi	07AABCM4302P1ZF	Goods and Services Tax Department	July 16, 2018	Valid till cancelled
6.	Letter of Undertaking - GST	AD050124003660T	Goods and Services Tax Department	January 12, 2024	January 11, 2025

\*Company is unable to trace its original TAN certificate

### C. Regulatory approvals of our Company

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Provident Fund Code Number - Delhi	DLCPM0026031000	Employees' Provident Fund Organisation, Ministry of Labour and Employment, Government of India	February 27, 2015	Valid till cancelled
2.	Provident Fund Code Number	UKDDN0034124000	Employees' Provident Fund Organisation, Ministry of Labour and Employment, Government of India	February 23, 2015	Valid till cancelled
3.	Provident Fund Code Number	UK/36328	Employees' Provident Fund Organisation, Ministry of Labour and Employment, Government of India	October 22, 2010	Valid till cancelled
4.	SIC – Registration Code - Delhi	22610014760010304	Employees' State Insurance Corporation, Ministry of Labour and Employment, Government of India	- *	Valid till cancelled
5.	SIC – Registration Code – Uttarakhand – Unit I	61-00-001476-000-0304	Employees' State Insurance Corporation, Ministry of	September 17, 2007	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
			Labour and Employment, Government of India		
6.	SIC – Registration Code – Uttarakhand – Unit II	61-00-007775-000-0305	Employees' State Insurance Corporation, Ministry of Labour and Employment, Government of India	December 1, 2010	Valid till cancelled
7.	UDYAM Registration certificate	UDYAM-DL-06-0006756	Ministry of Micro, Small and Medium Enterprises	November 12, 2020	Valid till cancelled
8.	Shops and Establishment Registration Certificate	2024017726	Department of Labour, Government of NCT of Delhi	January 29, 2024	Valid till cancelled
9.	Import Export Code	0599001526	Office of Zone Directorate General of Foreign Trade	July 25, 2016	Valid till cancelled
10.	Pharmexcil - Registration Cum Membership Certificate for Manufacturer Exporter	PXL/SSM/I/4596	Pharmaceuticals Export Promotion Council of India	May 28, 2024	March 31, 2025
<b>Regulatory approvals for our Unit - I</b>					
1.	License to Manufacture for sale or for distribution of Drugs of form 25	63/UA/2007	Drug Licensing and Controlling Authority, Uttarakhand	May 19, 2007	May 17, 2027
2.	License to Manufacture for sale or for distribution of Drugs of form 28	63/UA/SC/P-2007	Drug Licensing and Controlling Authority, Uttarakhand	May 19, 2007	May 17, 2027
3.	Factory License	HWR-456	Labour Department, Uttarakhand	July 17, 2007	December 31, 2026
4.	Consent to Establish	UEPPCB/H.O./NOC – 590/03/318	Uttanchal Environmental and Pollution control board	June 6, 2006	-
5.	Consolidated consent & authorization under Water (Prevention & control of Pollution) Act, 1947, Air (Prevention & control of	AHW-M-72	Uttarakhand Pollution Control Board	May 16, 2024	March 31, 2025

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	Pollution) Act, 1981 and Hazardous Waste ( Management, Handling and Transboundary Movement) Rules, 2016.				
6.	Fire NOC	N-6/CFO-S/2024	Office of the Chief Fire Officer, District Haridwar	February 15, 2024	February 14, 2027
7.	Registration Certificate - ISO 9001:2015	QMS/15/R91/1740**	ISC Global, Dubai, UAE	April 9, 2018	August 20, 2026
8.	Good Manufacturing Practices	17P/1/76/2007	Food Safety & Drug Administration Authority	February 25, 2021	August 23, 2024
9.	DG Set Registration	V.N.I./Roorkie/ Generator/ Periodic/Preliminary/2012-13	Office of the Assistant Electric Inspector, Uttarakhand	April 17, 2012	-
10.	Boiler Registration	UR-S-33	Chief Factory / Boiler Inspector, Uttarakhand	September 19, 2010	-
<b>Regulatory approvals for our Unit - II</b>					
1.	Factory License	HWR-909	Labour Department, Uttarakhand	October 25, 2023	December 31, 2026
2.	Consent to Establish	10411	Regional Office Uttarakhand Environment Protection & Pollution Control Board	March 12, 2010	Valid till cancelled
3.	Provisional Consolidated consent & authorization under Water (Prevention & control of Pollution) Act, 1947, Air (Prevention & control of Pollution) Act, 1981 and Hazardous Waste ( Management, Handling and Transboundary Movement) Rules, 2016.	1045558	Uttarakhand Pollution Control Board	May 16, 2024	March 31, 2025
4.	Fire NoC	N-6/CFO-S/2022	Office of the Chief Fire Officer, District Haridwar	October 18, 2022	October 17, 2025
5.	DG Set Registration	21/CANT/Civil/Roorki zone	Office of the Assistant	March 8, 2016	-



Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
			Electric Inspector, Uttarakhand		
6.	License to Manufacture for sale or for distribution of Drugs of form 25	22/UA/2017	Drug Licensing and Controlling Authority, Uttarakhand	March 3, 2022	March 2, 2027
7.	License to Manufacture for sale or for distribution of Drugs of form	21/UA/SC/P-2017	Drug Licensing and Controlling Authority, Uttarakhand	May 12, 2017	May 17, 2027
8.	Good Laboratory Practice	26/1/Drug/101/2019/10708	Food Safety & Drug Administration Authority	July 12, 2021	July 12, 2024
9.	Good Manufacturing Practices	26/1/Drugs/101/2019/10707	Food Safety & Drug Administration Authority	July 12, 2021	July 12, 2024
10.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and X Form 25A	82/UA/LL/2022	Drug Controlling and Licensing Authority Uttarakhand	November 7, 2022	November 6, 2027
11.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and X Form 28A	84/UA/LL/SC/P-2022	Drug Controlling and Licensing Authority Uttarakhand	November 7, 2022	November 6, 2027
12.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and X Form 25A	48/UA/LL/2020	Drug Controlling and Licensing Authority Uttarakhand	October 6, 2020	October 5, 2025
13.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and X Form 28A	53/UA/LL/SC/P-2020	Drug Controlling and Licensing Authority Uttarakhand	November 7, 2022	November 6, 2027
14.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and X Form 25A	85/UA/LL/2022	Drug Controlling and Licensing Authority Uttarakhand	November 16, 2022	November 15, 2027
15.	Loan License to manufacture for sale [or for distribution of] drugs other than those specified in [ Schedules C, C(1) and	88/UA/LL/SC/P-2022	Drug Controlling and Licensing Authority Uttarakhand	November 16, 2022	November 15, 2027

Sr. No.	Nature of Registration/ License	Registration/License/ Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	X Form 28A				
16.	Registration Certificate - ISO 9001:2015	QMS/15/R91/4672 <sup>##</sup>	ISC Global, Dubai, UAE	March 1, 2024	February 19, 2027

\* The Company has made an application to the Regional Director, ESI Corporation, Sub-regional Office Delhi on January, 29, 2024 for the issuance of a copy of the ESIC certificate, however, we are awaiting a copy of the same

\*\*For Manufacture and Supply of Tablets, Capsules and Liquid Orals for both Domestic and Export Market

<sup>##</sup> Manufacture and Supply of Food Supplements for Human use and Non Beta Lactum Tablets, Capsules, Liquid and Ointments

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Nil

### IV. Material approvals expired and renewal yet to be applied for

Nil

### V. Material approvals required but not obtained or applied for

Nil

### VI. Intellectual Property

As on the date of this Draft Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999

Date of Issue/Application	Trademark Holder	Trademark No.	Class of Registration	Trademark
April 24, 2006	Medicamen Organics Limited	1447758	5	NALIPRO (Word)
April 24, 2006	Medicamen Organics Limited	1447759	5	FULBRIT (Word)
June 5, 2006	Medicamen Organics Limited	1460776	5	MEREDIT (Word)
August 30, 2006	Medicamen Organics Limited	1482966	5	SEDIMPEN (Word)
August 30, 2006	Medicamen Organics Limited	1482968	5	SINOBRIT (Word)
August 30, 2006	Medicamen Organics Limited	1482969	5	TOPFOND (Word)
August 30, 2006	Medicamen Organics Limited	1482974	5	ROULANT (Word)
August 30, 2006	Medicamen Organics Limited	1482975	5	ENSEMBEL (Word)
August 30, 2006	Medicamen Organics Limited	1482976	5	ICLABEN (Word)
August 31, 2006	Medicamen Organics Limited	1483296	5	CIPENTEX (Word)
August 31, 2006	Medicamen Organics Limited	1483298	5	AMODARTE (Word)
October 13, 2006	Medicamen Organics Limited	1496980	5	FORLET (Word)
December 26, 2006	Medicamen Organics Limited	1520282	5	GENCHECK (Word)
January 18, 2007	Medicamen Organics Limited	1524232	5	GABUFAST (Word)
February 13, 2007	Medicamen Organics Limited	1530688	5	NIKOVIL (Word)

Date of Issue/Application	Trademark Holder	Trademark No.	Class of Registration	Trademark
February 13, 2007	Medicamen Organics Limited	1530689	5	CLINDOMAX (Word)
February 13, 2007	Medicamen Organics Limited	1530690	5	DILBRO (Word)
February 13, 2007	Medicamen Organics Limited	1530691	5	RAZZPRO (Word)
February 13, 2007	Medicamen Organics Limited	1530693	5	CEFOCREM (Word)
February 13, 2007	Medicamen Organics Limited	1530695	5	OCICHIP (Word)
February 13, 2007	Medicamen Organics Limited	1530696	5	COSBID (Word)
February 19, 2007	Medicamen Organics Limited	1532020	5	GLAZIMED (Word)
February 19, 2007	Medicamen Organics Limited	1532026	5	ITRASWICH (Word)
February 19, 2007	Medicamen Organics Limited	1532028	5	DOXYRYG (Word)
August 3, 2007	Medicamen Organics Limited	1587280	5	CLINPHAR (Word)
August 3, 2007	Medicamen Organics Limited	1587282	5	KROMASIL (Word)
August 3, 2007	Medicamen Organics Limited	1587284	5	CALIDAD (Word)
December 11, 2007	Medicamen Organics Limited	1629687	5	CHEMNOL (Word)
December 11, 2007	Medicamen Organics Limited	1629688	5	BREGA (Word)
December 11, 2007	Medicamen Organics Limited	1629689	5	TECNON (Word)
August 12, 2008	Medicamen Organics Limited	1720628	5	MALSPIN (Word)
August 12, 2008	Medicamen Organics Limited	1720629	5	APARIC (Word)
August 12, 2008	Medicamen Organics Limited	1720633	5	OMBON (Word)
August 12, 2008	Medicamen Organics Limited	1720634	5	MARLET (Word)

For risk associated with our intellectual property please see, “**Risk Factors**” on page 27 of this Red Herring Prospectus.

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## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors has, pursuant to a resolution passed at its meeting held on December 26, 2023 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on January 17, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated June 10, 2024 from NSE for using its name in this Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SECURITIES MARKET REGULATORS**

Our Company, our Promoter, our Directors and our Promoter's Group, person(s) in control of the promoter or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **CONFIRMATIONS**

1. Our Company, our Promoter, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our directors or any entity with which our Directors are associated as Promoter or directors.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoter, nor the relatives (as defined under the Companies Act) of our Promoter, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than 10 crores and upto twenty-five crore rupees and can issue Equity Shares to the public and propose to list the same on the SME Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder;

**1. *The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956.

**2. *The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.***

The present paid-up capital of our Company is ₹ 860 lakhs and we are proposing issue 31,00,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating



up to ₹ [●] lakhs. Hence, our Post Issue Paid up Capital will be upto ₹ 1180 lakhs. So, the company has fulfilled the criteria of post issue paid up capital prescribed under Regulation 229(2) of the SEBI ICDR Regulations.

### 3. Track Record

#### A. *The company should have a track record of at least 3 years.*

Our Company was incorporated on March 15, 1995 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Delhi. Therefore, we are in compliance with criteria of having track record of 3 years.

#### B. *The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.*

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations*	268.37	140.84	164.55
Net Worth as per Restated Financial Statement	851.71	755.92	746.72

### 4. Other Requirements

We confirm that:

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. The Company has a website: [www.medicamenorganics.com](http://www.medicamenorganics.com)

#### 6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.
- iii. There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies).
- iv. There are no criminal cases/investigation/offences filed against the director of the company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “**General Information**” beginning on page no. 50 of this Red Herring Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 50 of this Red herring Prospectus.

3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, 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 within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. 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.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS 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 COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, GYR CAPITAL ADVISORS PRIVATE LIMITED SHALL FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED [•], 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, NATIONAL CAPITAL TERRITORY OF DELHI AND HARYANA, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/3534 dated June 10, 2024, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any**

**responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”**

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (GYR Capital Advisors Private Limited) and our Company on January 22, 2024, and the Underwriting Agreement dated May 17, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated May 17, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, 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 Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM 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 Issue, 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 BRLM 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 Equity Shares of our company.

#### **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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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 the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the 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 the jurisdiction of appropriate court(s) in Delhi 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, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and 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 Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

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 of 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 (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions 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, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

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

The Red Herring Prospectus is filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. The Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Red Herring Prospectus in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Master Circular, a copy of the Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the material contracts and documents will be delivered to the RoC Office situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019, Delhi, India.

## **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated June 10, 2024 from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Three Working Days from the Issue Closing Date.

## **IMPERSONATION**

Attention of the Applicants 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.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

## CONSENTS

The written consents of Promoter, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker, Banker to the Issue, Syndicate, Sub-syndicate and Underwriter to act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, our Company has received written consent dated November 21, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated May 20, 2024 on our Restated Financial Information; and (ii) its report dated June 12, 2024 on the statement of special tax benefits in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

## EXPERT OPINION

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

## PREVIOUS PUBLIC OR RIGHTS ISSUE

Our Company has not made public issue in the past. For details of right issue please refer chapter titled “*Capital Structure*” beginning on page no. 62 of this Red Herring Prospectus.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## CAPITAL ISSUE DURING THE LAST THREE YEARS

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 62 of this Red Herring Prospectus. Our Subsidiary has not made any capital issuances during the three years preceding the date of this Red Herring Prospectus. Our Company does not have any associates or listed group company, as of the date of this Red Herring Prospectus.



# PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE

Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Naapbooks Limited	3.99	74	15.09.2021	77.00	-16.22%	4.40%	-29.73%	-1.59%	-18.905	-3.809
2.	Ascensive Educare Limited	2.25	26	12.01.2022	27.60	0.00%	4.901%	-30.00%	3.5739%	14.61%-	11.04629%-
3.	Achyut Healthcare Limited	3.60	20	30.03.2022	21.15	0.00%	1.981%	4.75%-	-9.41%-	-9.75%-	-2.622%-
4.	Dhyaani Tile and Marblez Limited	2.45	51	12.04.2022	52.25	19.61%	7.661%	82.35%-	7.137%-	11.764%-	-0.999%-
5.	Veekayem Fashion and Apperals Limited	4.4352	28	22.08.2022	52.35	59.96%	1.86%	22.67%	3.82%	0.17%	5.25%
6.	JFL Lifesciences Limited	18.16	51	08.09.2022	70.00	-29.01%	-2.71%	-38.52%	4.74%-	-40.98%	-1.17%
7.	Sabar Flex India Limited	4.47	11	21.09.2022	21.00	54.54%	-0.87%	44.54%-	3.56%-	32.27%	-0.72%
8.	Mafia Trends Limited	3.60	28	06.10.2022	32.65	-8.57%	5.78%	-26.78%	4.01%	-52.82%	2.51%
9.	Pritika Engineering Components Limited	9.42	29	08.12.2022	42.20	35.69%	-2.14%	-4.59%	8.62%	8.62%	0.55%
10.	Uma Converter Limited	18.414	33	29.12.2022	34.25	21.21%	-0.40%	-6.10%	-10.30%	-12.88%	3.44%
11.	Anlon Technology Solutions Limited	15	100	10.01.2023	251.1	84.40%	-0.12%	-1.61%	75.02%	163.95%	7.91%

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
12.	Agarwal Float Glass India Limited	9.2	42	23.02.2023	44	-9.52%	-3.00%	-14.29%	4.42%	-13.09%	10.74%
13.	Mcon Rasayan India Limited	6.84	40	20.03.2023	48	87.5%	-3.70%	157.13%	10.76%	230.25%	19.63%
14.	Essen Speciality Films Limited	66.33	107	06.07.2023	140	37.38%	1.37%	21.00%	0.31%	94.85%	11.12%
15.	Srivari Spices and Foods Limited	8.99	42	18.08.2023	101.50	199.17%	4.38%	291.78%	2.35%	591.90%	11.23%
16.	Basilic Fly Studio Limited	66.35	97	11.09.2023	271.00	194.07%	-1.53%	194.07%	-1.53%	294.79%	11.68%
17.	Maitreya Medicare Limited	14.89	82	07.11.2023	162.55	65.36%	7.70%	122.38%	12.18%	-	-
18.	Trident Techlabs Limited*	16.03	35	29.12.2023	98.15	469.71%	0.02%	125.91%	1.80%	-	-
19.	Kay Cee energy & Infra Limited*	15.93	54	05.01.2024	252.00	608.24%	0.28%	-14.47%	3.33%	-	-
20.	Maxposure Limited*	20.26	33	23.01.2024	145.00	170.60%	4.60%	-	-	-	-
21.	Thaai Casting Limited*	47.20	77	23.02.2024	185.90	-20.24%	-0.94%	-	-	-	-
22.	Koura Fine Diamond Jewelry Limited*	5.50	55	14.03.2024	75.00	-35.05%	1.57%	-	-	-	-
23.	Naman In-Store (India) Limited*	25.34	89	02.04.2024	125.00	-	-	-	-	-	-
24.	ABS Marine Services Limited*	96.29	147	21.05.2024	279.30						
25.	HOAC Foods India Limited*	5.54	48	24.05.2024	139.65						

\* Companies have been listed on November 07, 2023 December 29, 2023, January 05, 2024, January 23, 2024, February 23, 2024, March 14, 2024, April 02, 2024, May 21, 2024 and May 24, 2024 hence not applicable.

### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %	Over 50 %	Between 25-50 %	Less than 25 %
2021-2022	03	9.84	-	1	3	-	-	-	-	-	2	-	-	1
2022-2023	10	124.78	-	1	2	4	1	2	1	1	-	-	1	2
2023-2024	10	286.52	-	-	-	6	2	-	-	-	-	1	-	-
2024-2025	02	101.83	-	-	-	-	-	-	-	-	-	-	-	-

\* Companies have been listed on November 07, 2023 December 29, 2023, January 05, 2024, January 23, 2024, February 23, 2024, March 14, 2024, April 02, 2024, May 21, 2024 and May 24, 2024 hence not applicable.

Break -up of past issues handled by GYR Capital Advisors Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	3	0
2022-2023	10	0
2023-2024	07	0
2024-2025	02	0

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1	GYR Capital Advisors Private Limited	<a href="http://www.gyrcapitaladvisors.com">www.gyrcapitaladvisors.com</a>

## PERFORMANCE VIS-A-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 62 of this Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

## PERFORMANCE VIS-A-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS

As on the date of this Red Herring Prospectus, our Company does not have any listed subsidiary or listed promoters.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 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 at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of 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 Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. 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.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this 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 SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working 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 as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

Name of the Director	Designation in the Committee	Nature of Directorship
Sachin Gupta	Chairman	Non-Executive Independent Director
Sneh Gaur	Member	Non-Executive Director
Ashutosh Gupta	Member	Whole Time Director

Our Company has appointed Varsha Bansal the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Varsha Bansal**  
 10 Community Centre No 2  
 Ashok Vihar Phase II,  
 New Delhi, Delhi, 110052, India.  
**Telephone:** +91-9818222845  
**E-mail:** [cs@mediorganics.in](mailto:cs@mediorganics.in)

Till date of this Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 62 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### LISTED VENTURES OF PROMOTER

There are no listed ventures of our Company as on date of filing of this Red Herring Prospectus.

#### OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Red Herring Prospectus.

#### Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the 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 has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### Authority for the Issue

The present Public Issue of upto ₹ [●] lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on December 26, 2023 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on January 17, 2024 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 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “*Description of Equity Shares and terms of the Articles of Association*” beginning on Page No. 245 of the Red Herring Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “*Dividend Policy*” beginning on Page No. 159 of the 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 at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper and all editions of a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office is situated), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its 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 website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 86 of this Red Herring Prospectus.

## 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:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

## Minimum Application Value, Market Lot and Trading Lot

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 ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated December 27, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated December 29, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall 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. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited 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 Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## Minimum Number of Allottees

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

## Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), 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 being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, 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:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue 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.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 62 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 245 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the 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 (2) 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 Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring 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 issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Anchor Portion Issue Opens/Closes on	June 20, 2024
Bid/Issue Opening Date	June 21, 2024
Bid/Issue Closing Date	June 25, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before June 26, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before June 26, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before June 27, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before June 28, 2024

*\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two 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 two 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. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.*

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within Three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the 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 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.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+6 listing timelines and activities, 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

#### Bid/Issue 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

#### On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a 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 SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**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 limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve 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 the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the 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. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and 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 the Red Herring 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 Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 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 the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Migration to Main Board**



Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	<p>The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores**</p> <p>** Explanation</p> <p>For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares</p>
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> <li>• The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>• The company has not received any winding up petition admitted by a NCLT.</li> <li>• The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>• The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>• Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• Redressal mechanism of Investor grievance</li> <li>• PAN and DIN no. of Director(s) of the Company</li> <li>• Change in Control of a Company/Utilization of funds raised from public</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 50 of this Red Herring Prospectus.

### 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. 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 the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 62 of this 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. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and

accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF 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.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

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## 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 ₹ 1170 lakhs, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 205 and 216 respectively of this Red Herring Prospectus.

This public issue comprises of upto 31,00,000 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 up to ₹ [●] lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute 26.49% and 25.01% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process (1):

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	1,72,000 Equity shares	Not more than 14,60,000 Equity Shares.	Not less than 4,40,000 Equity Shares	Not less than 10,28,000 Equity Shares
Percentage of Issue size available for allocation	5.54% of the issue 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 may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows:  a) 32,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate	Proportionate
		b) 5,52,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above		

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	17,2000 Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] 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
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder 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.			
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, 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) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. 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 Price.

- (5) 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. For further details please refer to the section titled “Issue Procedure” beginning on page 216 of the Red Herring Prospectus

### **Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in English editions Financial Express, an English national daily newspaper and Hindi editions of Jansatta, a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office is situated), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. 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. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring 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 approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with RoC.

### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

### **BID/ ISSUE PROGRAMME:**

<b>Events</b>	<b>Indicative Dates</b>
<b>Anchor Portion Issue Opens/Closes on</b>	June 20, 2024
<b>Bid/Issue Opening Date</b>	June 21, 2024
<b>Bid/Issue Closing Date</b>	June 25, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before June 26, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before June 26, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before June 27, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before June 28, 2024

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

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- A standard cut-off time of 3.00 p.m. for acceptance of bids.
- A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

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## ISSUE PROCEDURE

All Bidders should read 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 which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

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 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been 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, as amended pursuant to 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, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. 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 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

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 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 Red Herring Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

## **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the 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. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the 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.

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 BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

## **Phased implementation of Unified Payments Interface**

### **Our Issue will be undertaken under Phase III.**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

- c) Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.
- d) SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.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”)**

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<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.
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**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.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) 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;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) 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;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] 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 Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of

Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the 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. 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 English editions of Financial Express, an English national daily newspaper and Hindi editions of Jansatta, a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office 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 English editions of Financial Express, an English national daily newspaper and Hindi editions of Jansatta, a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office is situated) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) 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.
- c) 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”.
- d) 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.
- e) 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.
- f) 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.
- g) 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.
- h) 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.

#### **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.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in English editions of Financial Express, an English national daily newspaper and Hindi editions of Jansatta, a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office is situated) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should



authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) 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. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non-repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see **“Restrictions on Foreign Ownership of Indian Securities”** beginning on page 244. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

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. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI 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. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **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 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to 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 a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs

bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that 227inlize the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFS and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) 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.

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.

Further, the shareholding of VCFS, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **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, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

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 this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank’s 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, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company’s interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company’s paid up share capital engaged in non-financial services. However, this cap doesn’t apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank’s paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see **“Key Regulations and Policies”** beginning on page 124.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making 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 application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (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 operates: 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.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

## **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 undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the 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 upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the 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) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
- 11) 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 byes.

12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

### **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 Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or



until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: In case of resident Anchor Investors: — “Medicamen Organics Limited- Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “Medicamen Organics Limited-Anchor Account- NR”
- c) Anchor Investors 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,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue 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 applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to

Designated Branches of the SCSBs for blocking of funds:

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 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 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.
- 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 undersubscription 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.

**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.**

***Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.***

## **GENERAL INSTRUCTIONS**

### ***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. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
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 (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA 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;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. 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. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. 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 or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in

the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) 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;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to 235inialized blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date;
25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of themandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using theUPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.



**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. 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 a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. 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;
14. 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);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled **“General Information”** and **“Our Management”** beginning on pages 50 and 139, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “**General Information**” beginning on page 50.

## **GROUNDINGS FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 50.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two 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 two 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.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master 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/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular. 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.

Names of entities responsible for finalization of the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- 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 RHP. 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 may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] 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. 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:
    - 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.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category 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:

- i. 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;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of 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.

iii. Basis of Allotment for QIBs 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 National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate

basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

- c) For Bids where the proportionate allotment works out to less than [●] 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 RHP.

**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 National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed 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 that 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 transfer 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 website of National Stock Exchange of India Limited 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 RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited 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 NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;

2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company may choose to close this Issue within three (03) working days, in accordance with the timeline provided under the aforementioned circular.**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. 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 over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants 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).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the 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, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on December 27, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on December 29, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0PE401018.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (English Edition of Financial Express, an English national daily newspaper and Hindi editions of Jansatta, a Hindi national daily newspaper (Hindi being the official language of New Delhi, where our Registered Office is situated) each with wide circulation).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The 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 ICDR Regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

## **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. 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*
- III. 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."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within Three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the 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 Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”).

While the Industrial Policy, 1991 has prescribed 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 the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India 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, GoI, earlier known as Department of Industrial Policy and Promotion (“**DPIIT**”) has issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of upto 100% is currently permitted under the automatic route for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. Each Applicant 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 Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered 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 state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. 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.

**The above information is given for the benefit of the Applicants. Our 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 this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

For further details, see “*Issue Procedure*” beginning on page 216.



## **SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

### **PRELIMINARY**

1. Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

### **INTERPRETATION**

2. (1) In these regulations:-

(a) "Company" means \* **MEDICAMEN ORGANICS LIMITED**

(b) "Office" means the Registered Office of the Company.

(c) "Act" means the Companies Act, 2013, and any statutory modification thereof.

(d) "Seal" means the Common Seal of the Company.

(e) "Directors" means the Directors of the Company and include persons occupying the position of the Directors by whether names called.

3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these articles become binding on the company.

### **\*\* PUBLIC COMPANY**

4. The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

5. (a) The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause 5 of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.

6. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

7. The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.

8. The certificate to share registered in the name of two or more person shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

9. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) One certificate for all his shares without payment of any charges; or

(b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal, if any and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

10. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (9) and (10) shall mutatis mutandis apply to debentures of the company.

11. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

12. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

13. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one third of the issued shares of the class in question.

14. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

15. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

16. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

17. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

## **LIEN**

18. (a) (i) The company shall have a first and paramount lien-

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

19. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien: Provided that no sale shall be made-

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

20. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

21. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

## **CALLS ON SHARES AND TRANSFER OF SHARES**

22. (a) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

23. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

24. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

25. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

26. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

27. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

28. The Board-

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

29. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

30. The Board may decline to recognize any instrument of transfer unless-

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

31. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

32. The Directors may refuse to register any transfer of shares (1) where the Company has a lien on the shares or (2) where the shares are not fully paid up shares, subject to Section 58 and 59 of the Companies Act, 2013.

33. Subject to Section 58 and 59 of the Act, the Directors may in their discretion, without assigning any reason, refuse to register the transfer of any shares to any person, whom it shall, in their opinion, be undesirable in the interest of the Company to admit to membership.

34. At the death of any members his or her shares be recognised as the property of his or her heirs upon production of reasonable evidence as may require by the Board of Directors.

35. The instrument of transfer must be accompanied by the certificates of shares.

## **TRANSMISSION OF SHARES**

36. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

37. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

38. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

39. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## **FORFEITURE OF SHARES**

40. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

41. The notice aforesaid shall-

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

42. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

43. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

44. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

45. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

46. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## **ALTERATION OF CAPITAL**

47. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

48. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

49. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.



50. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

## **CAPITALISATION OF PROFITS**

51. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

52. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

## **BUY-BACK OF SHARES**

53. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

## **GENERAL MEETINGS**

54. All general meetings other than annual general meeting shall be called extra ordinary general meeting.

55. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extra ordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

## **PROCEEDINGS AT GENERAL MEETINGS**

56. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

57. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

58. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

59. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

60. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS AND PROXY**

61. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

62. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

63. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

64. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

65. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

66. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

67. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

68. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

69. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

70. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **BOARD OF DIRECTORS**

71. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).

72. Not less than two-thirds of the total number of Directors of the Company shall:

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and
- (b) save as otherwise expressly provided in the said Act; be appointed by the Company in General Meeting.

73. The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

74. Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

75. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.

76. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

77. (i) The following shall be the First Directors of the Company:

- a) **Mr. Virender Kumar**
- b) **Mr. Bal Kishan Gupta**
- c) **Mr. Lakhvinder Singh Arora**

78. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.

79. Subject to the provisions of section 149, the Board of Directors, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.

80. The Managing Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act, 2013.

81(a) (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

(iii) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

- (iv) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- (v) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

82. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 174 of the Act, shall be one third of the total strength or at least two whichever is higher. The participation of the directors by video conferencing or by other audio visual means shall also be count for the purpose of quorum.

83. Subject to section 175 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, held and constituted.

## **PROCEEDINGS OF THE BOARD**

84. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

85. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

86. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

87. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

88. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

89. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

90. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

91. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

92. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

## **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

93. Subject to the provisions of the Act,—

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

94. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **COMMON SEAL**

95. (i) The Common Seal of the Company, if any may be made either of metal or of rubber as the directors may decide.
- (ii) The Board shall provide for the safe custody of the seal, if any.
- (iii) The seal of the company, if any shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company, if any is so affixed in their presence.

## **BORROWING POWERS**

96. The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

97. Subject to section 73 and 179 of the Companies Act, 2013, and Regulations made there under and Directions issued by the RBI the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.

98. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

## **OPERATION OF BANK ACCOUNTS**

99. The Directors shall have the power to open bank accounts to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person or persons to exercise such powers.

## **DIVIDENDS AND RESERVE**

100. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

101. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.



102. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

103. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

104. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

105. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

106. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

107. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

108. No dividend shall bear interest against the company.

## **ACCOUNTS**

109. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

110. The Directors shall in all respect comply with the provisions of Section 128,134, 137, 206, 207 and 208, of the Act, and profits and Loss Account, Balance Sheet and Auditors Report and every of the r document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of section 136 of the Act.

## **WINDING UP**

111. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **SECRECY**

112. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

## **AUDIT**

113. (i) Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.

(ii) Subject to the provisions of Section 139 of the Act and rules made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years.

(iii) Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

(iii) The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

## **INDEMNITY AND INSURANCE**

114. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

115. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

116. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

## **BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

117. Balance sheet and Profit and Loss Account of the company will be audited once in a year by a qualified auditor for certification of correctness as per provisions of the Companies Act, 2013.

## **GENERAL POWER**

118. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## **SECTION X - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at [www.medicamenorganics.com](http://www.medicamenorganics.com), from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated January 22, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated January 22, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated December 27, 2023 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated December 29, 2023 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated May 17, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated May 22, 2024 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated May 17, 2024 between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated May 17, 2024 amongst our Company and the Underwriters.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated March 15, 1995 under the Companies Act, 1956 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana.
- (iii) Certificate of incorporation dated November 14, 1995 issued under the Companies Act, 2013 by the Registrar of Companies, National Capital Territory of Delhi and Haryana, pursuant to change of name of our Company.
- (iv) The resolution passed by the Board of Directors at its meeting held on December 26, 2023 and the resolution passed by the Shareholders of the Company in EGM held on January 17, 2024, authorizing the Issue.
- (v) Resolution of the Board of Directors of the Company dated June 13, 2024, taking on record and approving this Red Herring Prospectus.
- (vi) The examination reports dated May 20, 2024 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Red Herring Prospectus.
- (vii) Copies of the Audited Financial Statements of our Company for the Fiscals 2024 and 2023 and 2022.
- (viii) Consent of the Promoters, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Market Maker, Banker to the Issue, Syndicate and Sub-Syndicate as referred to in their specific capacities.
- (ix) Consent letter dated June 12, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated May 20, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated June 12, 2024 included in this Red Herring Prospectus.
- (x) In principle listing approval dated June 10, 2024 issued by National Stock Exchange of India Limited.
- (xi) Due Diligence Certificate dated June 13, 2024 issued by the BRLM.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

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## **DECLARATION**

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### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



**Bal Kishan Gupta**  
Chairman and Managing Director

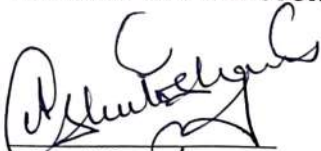
Place: Delhi

Date: June 13, 2024

### **DECLARATION**

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**SIGNED BY THE DIRECTOR OF OUR COMPANY**

A handwritten signature in black ink, appearing to read 'Ashutosh Gupta', is written over a horizontal line.

Ashutosh Gupta  
Whole-time Director

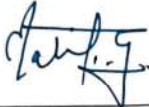
**Place: Delhi**

**Date: June 13, 2024**

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**



**Lalit Gupta**  
Chief Financial Officer

**Place: Delhi**

**Date: June 13, 2024**

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



**Rakesh Kumar**  
Independent Director

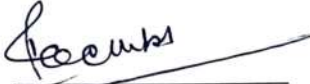
**Place: Delhi**

**Date: June 13, 2024**

### **DECLARATION**

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**SIGNED BY THE DIRECTOR OF OUR COMPANY**



**Rajinder Kumar Gupta**  
Independent Director

**Place: Delhi**


**Date: June 13, 2024**



#### DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



**Sneh Gaur**  
Non-Executive Director


Place: Haridwar

Date: **June 13, 2024**

#### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



Shailesh Harimohan Gaur  
Executive Director

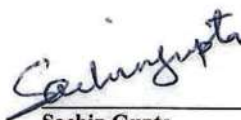
Place: Haridwar

Date: June 13, 2024

### **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**



**Sachin Gupta**  
Independent Director

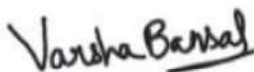
**Place: Delhi**

**Date: June 13, 2024**

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**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**



**Varsha Bansal**

Company Secretary and Compliance Officer

**Place: Delhi**

**Date: June 13, 2024**