



### QMS MEDICAL ALLIED SERVICES LIMITED

Our Company was incorporated as QMS Medical Allied Services Private Limited on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U33309MH2017PLC299748. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter "History and Certain Corporate Matters" on page no. 100 of this Draft Prospectus.

**Registered Office:** A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.

**Tel No.:** 022 6288 1111; **Email:** contact@qmsmas.com; **Website:** www.qmsmas.com

**Contact Person:** Deepali Malpani, Company Secretary and Compliance Officer.

**Our Promoter:** Mahesh Makhija

#### THE ISSUE

**INITIAL PUBLIC ISSUE OF UP TO 12,24,000 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF QMS MEDICAL ALLIED SERVICES LIMITED ("QMS" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), CONSISTING OF FRESH ISSUE OF UP TO 6,24,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS AND AN OFFER FOR SALE OF UP TO 6,00,000 EQUITY SHARES BY MAHESH MAKHIJA ("THE PROMOTER SELLING SHAREHOLDER" OR "THE SELLING SHAREHOLDER") AGGREGATING TO ₹ [●] LAKHS ("OFFER FOR SALE"), OF WHICH UP TO 62,400 EQUITY SHARES OF ₹ 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY AGGREGATING MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THAN THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 11,61,600 EQUITY SHARES OF ₹10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.90% AND 26.48% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.**

#### THE FACE VALUE OF THE EQUITY SHARE IS ₹10 AND THE ISSUE PRICE IS [●]TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. This issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled "Issue Information" beginning on page no.173 of this Draft Prospectus.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page no.182 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each and the Issue Price is [●] times the face value. The Issue Price (determined and justified by our Company and the Selling Shareholder in consultation with the Lead Manager) as stated under "Basis of Issue Price" beginning on page no. 64 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page no. 20 of this Draft Prospectus.

#### COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed such Selling Shareholder in this Draft Prospectus to the extent of information about himself as a Selling Shareholder and in the context of the Offer for Sale. The Selling Shareholder further assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

#### LISTING

The Equity Shares Issued through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited. Our Company has received an in-principle approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").

#### LEAD MANAGER TO THE ISSUE



#### ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor, Alkesh Dinesh Modi Marg, Fort, Mumbai - 400 001.

**Tel:** +91 - 22 - 6216 6999

**Email:** ipo@afsl.co.in

**Website:** www.afsl.co.in

**Investor Grievance Email:** feedback@afsl.co.in

**Contact Person:** Hiral Motani/ Shweta Kothari

**SEBI Registration No.:** INM000011344

#### ISSUE OPENS ON

[●]

#### REGISTRAR TO THE ISSUE



#### BIGSHARE SERVICES PRIVATE LIMITED

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai - 400 059

**Tel. No.:** +91 22 6263 8200

**Email:** ipo@bigshareonline.com

**Website:** www.bigshareonline.com

**Investor Grievance Email:** investor@bigshareonline.com

**Contact Person:** Arvind Tandel

**SEBI Registration No.:** INR000001385

#### ISSUE CLOSES ON

[●]

## Table of Contents

<b>SECTION I – GENERAL</b> .....	<b>1</b>
DEFINITIONS AND ABBREVIATIONS.....	1
CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL .....	12
FORWARD-LOOKING STATEMENTS .....	14
<b>SECTION II - SUMMARY OF OFFER DOCUMENT</b> .....	<b>16</b>
<b>SECTION III- RISK FACTORS</b> .....	<b>20</b>
<b>SECTION IV: INTRODUCTION</b> .....	<b>37</b>
THE ISSUE .....	37
SUMMARY OF FINANCIAL INFORMATION .....	39
GENERAL INFORMATION.....	42
CAPITAL STRUCTURE .....	50
<b>SECTION V- PARTICULARS OF THE ISSUE</b> .....	<b>59</b>
OBJECTS OF THE ISSUE .....	59
BASIS OF ISSUE PRICE .....	64
STATEMENT OF TAX BENEFITS.....	67
<b>SECTION VI – ABOUT OUR COMPANY</b> .....	<b>70</b>
INDUSTRY OVERVIEW .....	70
OUR BUSINESS .....	83
KEY REGULATIONS AND POLICIES .....	93
HISTORY AND CERTAIN CORPORATE MATTERS .....	100
OUR MANAGEMENT .....	104
OUR PROMOTER AND PROMOTER GROUP .....	116
OUR GROUP COMPANY .....	119
DIVIDEND POLICY .....	121
<b>SECTION VII- FINANCIAL INFORMATION</b> .....	<b>122</b>
FINANCIAL STATEMENTS.....	122
OTHER FINANCIAL INFORMATION.....	140
CAPITALISATION STATEMENT .....	142
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION.....	143
FINANCIAL INDEBTEDNESS .....	153
<b>SECTION VIII – LEGAL AND OTHER INFORMATION</b> .....	<b>155</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS.....	155
GOVERNMENT AND OTHER KEY APPROVALS .....	160
<b>SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES</b> .....	<b>164</b>
<b>SECTION X – ISSUE INFORMATION</b> .....	<b>173</b>
TERMS OF THE ISSUE .....	173
ISSUE STRUCTURE .....	179
ISSUE PROCEDURE .....	182
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	201
<b>SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION</b> .....	<b>202</b>
<b>SECTION XII – OTHER INFORMATION</b> .....	<b>222</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	222
DECLARATION.....	224

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
“The Company”, “Our Company” or “The Issuer”	QMS Medical Allied Services Limited, a company incorporated under the Companies Act, 2013 and having its Registered Office at A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.

#### Company related Terms

Term	Description
AoA/ Articles / Articles of Association	The articles of association of our Company, as amended from time to time
Auditor / Statutory Auditor	The Statutory Auditors of our Company, being M/s. P. V. Dalal & Co., Chartered Accountants (FRN: 102049W) having their office at 1504/05, Yogi Paradise-A, Yogi Nagar, New Link Road, Borivali (West), Mumbai - 400091.
Audit Committee	The audit committee of our Company constituted on December 29, 2020 in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” page no. 104 of this Draft Prospectus
Board of Directors / Board	The Board of Directors of QMS Medical Allied Services Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief Financial Officer of our Company is Sejal Mhatre
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Deepali Malpani
Corporate Social Responsibility (CSR) Committee	The Corporate Social Responsibility (CSR) Committee of our Company, constituted on December 29, 2020 in accordance with Section 135 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 104 of this Draft Prospectus.
Director(s)	Director(s) of QMS Medical Allied Services Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term “ <i>Group Companies</i> ” includes companies (other than our Promoter) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in “ <i>Our Group Companies</i> ” on page no. 119 of this Draft Prospectus.
Independent Director(s)	The Independent Director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013
ISIN	International Securities Identification Number. In this case being INE0FMW01018
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” on page no. 104 of this Draft Prospectus
Materiality Policy	The policy adopted by our Board on December 25, 2020 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
MOA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, constituted on December 29, 2020 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 104 of this Draft Prospectus
Promoter(s) / Core Promoter	The Promoter of our Company, namely, Mahesh Makhija

Term	Description
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page no. 116 of this Draft Prospectus
Registered Office	The Registered Office of our Company situated at A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at Everest,100, Marine Drive, Mumbai-400002
Restated Financial Statements	The Restated Financial Statements of our Company for the period ended September 30, 2020 and Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018, which comprises of the Restated Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Selling Shareholder /Promoter Selling Shareholder	Mahesh Makhija
Stakeholders’ Relationship Committee	The stakeholder’s relationship committee of our Company, constituted on December 29, 2020 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” on page no. 104 on this Draft Prospectus.
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

#### Issue Related Term

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares to successful Applicants pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholder to the successful Applicants, pursuant to the Issue
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottees	The successful applicant to whom the Equity Shares are being/have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Draft Prospectus
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <i>General Information</i> ” on page no. 42 of this Draft Prospectus
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●]

Term	Description
Banker(s) to the Issue Agreement	Agreement dated [●], entered into between our Company, Selling Shareholder, Lead Manager, the Registrar to the Issue, Banker to the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no. 182 of this Draft Prospectus
Broker Centres	<p>Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker</p> <p>The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the NSE</p>
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Collection Centers	Centers at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker center for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Collecting Depository Participant” or “CDP	A depository participant registered with SEBI and who is eligible to procure Application at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Demographic Details	Details of the Applicants including the Applicants’ address, name of the Applicants’ father/husband, investor status, occupation and bank account details and UPI ID wherever applicable
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL
Depository Participant / DP	A depository participant as defined under the Depositories Act, 1966
Designated CDP Locations	<p>Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI</p> <p>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange</p>
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs</p>



Term	Description
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs and in case of RIIs only ASBA Forms with UPI. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Exchange	National Stock Exchange of India Limited (“NSE”)
Draft Prospectus	This Draft Prospectus dated January 29, 2021 issued in accordance with the SEBI (ICDR) Regulations.
Eligible NRI(s)	An NRI(s) from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares of the Issuer.
Emerge Platform of NSE	SME Platform of NSE i.e, EMERGE Platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Offered under Chapter IX of the SEBI ICDR Regulations
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Applicants, whose name appears as the first holder of the beneficiary account held in joint names
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered to with SEBI under applicable laws in India.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014
Fresh Issue	The Fresh Issue of up to 6,24,000 Equity Shares aggregating up to ₹ [●] lakhs by our Company
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by the Company. For further information about use of the Fresh Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page no. 59 of this Draft Prospectus
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 or GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges, the Lead Manager
Issue	The initial public Issue of up to 12,24,000 Equity Shares of face value ₹10 each for cash at a price of ₹ [●] each, aggregating up to Rs. [●] lakhs, consisting of a Fresh Issue and an Offer for Sale
Issue Agreement	The Memorandum of Understanding (MoU) dated December 23, 2020, entered amongst our Company, the Selling Shareholder and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing Date	The date on which the Issue closes for subscription being [●]
Issue Opening Date	The date on which the Issue opens for subscription being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications
Issue Price	The Price at which the Equity Shares are being Issued by our Company and the Selling Shareholder in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per equity share

Term	Description
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page no. 59 of this Draft Prospectus
Issue Size	The Public Issue up to 12,24,000 of Equity shares of Rs. 10 each at price of ₹ [●] per Equity share, aggregating to ₹ [●] lakhs by our Company and the Selling Shareholder
Lead Manager / LM	Lead Manager to the Issue, being Aryaman Financial Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] share to the successful applicants
Market Maker	Member Brokers registered as Market Makers with the NSE’s EMERGE Platform
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion up to 62,400 Equity Shares of face value of ₹ 10 each fully paid for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] for the Market Maker in this Issue.
Minimum Promoters’ Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Issue	The Net Issue of up to 11,61,600 Equity Shares of ₹ 10 each at price of ₹ [●] per Equity Shares aggregating to ₹ [●] lakhs by our Company and the Selling Shareholder
Net Proceeds	The Gross Proceeds less our Company’s share of the Issue expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” beginning on page no. 59 of this Draft Prospectus
Non - Institutional Investors	All Applicants that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% 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
Offer for Sale	An offer for sale of up to 6,00,000 Equity Shares aggregating up to ₹ [●] by the Selling Shareholder
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue opening and Closing date and other information.
Public Issue Account	A bank account to be opened under section 40(3) of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made
Refund Bank(s)	The Bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.
Registrar Agreement	The agreement dated December 24, 2020 entered amongst our Company, the Selling Shareholder and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue

Term	Description
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue / Registrar	The Registrar to the Issue being Bigshare Services Private Limited
Retail Individual Investor(s) / RII(s)	Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2.00 lakhs in this Issue
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Issue Closing Date
Self - Certified Syndicate Bank(s) or "SCSB(s)	Banks registered with SEBI, offering services i. in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or such other website as updated from time to time, and ii. in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement dated [●] to be entered amongst our Company, the Selling Shareholder and the Share Escrow Agent in connection with the transfer of the shares offered under Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company and the Selling Shareholder, in consultation with the LM's to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●]
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	The underwriters in this case are [●]
Underwriting Agreement	The agreement dated [●] entered amongst our Company, the Selling Shareholders and the Underwriters
UPI ID	ID created on UPI for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI Circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard
UPI PIN	Password to authenticate UPI transaction



Term	Description
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, “Working Day” shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI

#### Technical / Industry related terms

Term	Description
AB-PMJAY	Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana
AHD	Alcoholic Hand Disinfectant
AIDS	Acquired Immune Deficiency Syndrome
AiMeD	Association of Indian Medical Device Industry
ARTIST	Asian Research and Training Institute for Skill Transfer
APIs	Active Pharmaceutical Ingredients
BPL	British Physical Laboratories
CME	Continuing Medical Education
CPD	Continuous Professional Development
CCRAS	Central Council for Research in Ayurvedic Sciences
EACME	European Academy of Continuing Medical Education
ECG	Electrocardiography
EDQM	European Directorate of Quality Medicines
HCPs	Healthcare Professionals
IVD	Vitro Diagnostic Product
MAT	Moving Annual Total
MRI	Magnetic Resonance Imaging
OTC	Over the Counter
PPE	Personal Protective Equipment
WHO	World Health Organization

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
APAC	Asia-Pacific
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Banking Regulation Act	Banking Regulation Act, 1949
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations

Term	Description
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CFPI	Consumer Food Price Index
CGST	Central GST
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant's beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
COVID - 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP	Depository Participant, as defined under the Depositories Act 1996
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India earlier known as Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID	Depository Participant's identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EoGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FAME	Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FTP	Foreign Trade Policy
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
GW	Gigawatt
HNIs	High Networth Individuals

Term	Description
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICAT	International Centre for Automotive Technology
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST	Integrated Goods and Services Tax Act, 2017
IIE	Indian Institute of Entrepreneurship
IIP	Index of Industrial Production
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offering
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
JLR	Jaguar Land Rover
JV	Joint Venture
KM / Km / km	Kilo Meter
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MEIS	Merchandise Exports from India Scheme
MG	Morris Garages
MICR	Magnetic Ink Character Recognition
MMR	Maternal Mortality Ratio
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NATRAX	National Automotive Testing Tracks
NATRiP	National Automotive Testing and R&D Infrastructure Project
NAV	Net Asset Value
NBFC	Non Banking Financial Company
NCLT	National Company Law Tribunal
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NEIL	National Engineering Industries Ltd
NIAIMT	National Institute for Automotive Inspection, Maintenance & Training
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	per annum
PE	private equity
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate

Term	Description
PMGK	Pradhan Mantri Garib Kalyan Package
PMI	Purchasing Managers' Index
PPP	purchasing power parity
R&D	research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST Regulations	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 Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
SEIS	Service Exports from India Scheme
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
SUV	Sport utility vehicle
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WEO	World Economic Outlook
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WIP	Work in process

---

Term	Description
WPI	Wholesale Price Index



## CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL

### Certain Conventions

All references to “India” contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One represents 1,00,000.

### Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus is derived from our Restated Financial Statements. Certain additional financial information pertaining to our Group Company is derived from its financial statements. The Restated Financial Statements included in this Draft Prospectus are for the period ended September 30, 2020 and for the Fiscals ended March 31, 2020, March 31, 2019 and March 31, 2018, and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer “*Financial Information*” beginning on page no. 122 of this Draft Prospectus.

In this Draft 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 percentage figures have been rounded off to two decimal places.

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 12 month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft 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 Conditions and Results of Operations*” on page nos. 20, 83 and 143 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

### Currency and Units of Presentation

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

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

### Definitions

For definitions, please refer the Chapter titled “*Definitions and Abbreviations*” on page no.1 of this Draft Prospectus. In the Section titled “*Main Provisions of the Articles of Association of our Company*” beginning on page no. 202 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft 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 but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

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

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

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Inability to identify the new premises may adversely affect the operations, finances and profitability of the Company;
- Increased competition in Pharmaceutical Industry.
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our Intellectual Property Rights
- Changes in consumer demand
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of loan interest rates and inflation;
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of Interest with affiliated companies, the promoter group and other related parties;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The occurrence of natural disasters or calamities; and

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 20, 83 and 143 of this Draft Prospectus, respectively.

Neither our Company, our Directors, our Promoter, the Selling Shareholder, the Lead Manager 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 SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II - SUMMARY OF OFFER DOCUMENT

### A. Summary of Business

Our Company is engaged in the marketing and distribution of medical devices, accessories and other staples which are used for branding exercises and medical awareness initiatives by large pharmaceutical companies. We have recently launched our brand “QDevices”, which is a vision of Atmanirbhar Bharat and working on Made in India concept. We manage a wide range portfolio of products sold under our own brand name “QDevices” and for other brands such as 3M, Heine, Rossmax etc. Further, our company organizes and provides medical education to members belonging to medical fraternity by partnering with renowned medical education institutions such as EACME.

### B. Summary of Industry

The global home healthcare market size is anticipated to reach USD 515.6 billion by 2027, registering a CAGR of 7.9%. The medical devices market is then expected to recover and grow at a CAGR of 6.1% from 2021 and reach \$603.5 billion in 2023. India is a prominent and rapidly growing presence in global pharmaceuticals. It is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and also supplies 62% of global demand for vaccines. India ranks 3<sup>rd</sup> worldwide for production by volume and 14th by value.

### C. Our Promoters

Our Company is promoted by Mahesh Makhija.

### D. Size of Issue

Issue	Upto 12,24,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs
<b>Consisting of:</b>	
Fresh Issue	Upto 6,24,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs
Offer for Sale (OFS)	Upto 6,00,000 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs
<b>of Which</b>	
Market Maker Reservation	Upto 62,400 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs
Net Issue	Upto 11,61,600 Equity Shares of ₹ 10 each for cash at a price of ₹ [●] per share, aggregating to ₹ [●] lakhs

### E. Object of the Issue

The fund requirements for each of the Object of the Issue are stated as below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Part Repayment of Loans	500.00
2.	Funding Working capital requirements	1,350.00
3.	General Corporate Purpose	[●]
<b>Total</b>		<b>[●]</b>

### F. Pre-Issue Shareholding of our Promoters, Promoter Group and Selling Shareholder as a percentage of the paid-up share capital of the Company

Set forth is the Pre Issue shareholding of our Promoters, Promoter Group and Selling Shareholder as a percentage of the paid-up share capital of the Company



Category of Promoters	Pre Issue	
	No. of Shares	% of Pre-Issue Paid Up Capital
<b>1. Promoter</b>		
Mahesh Makhija <sup>(1)</sup>	36,87,210	98.00%
<b>Total</b>	<b>36,87,210</b>	<b>98.00%</b>
<b>2. Promoter Group (as defined by SEBI (ICDR Regulations))</b>		
Guddi Makhija	37,625	1.00%
Diti Makhija	37,625	1.00%
<b>Total</b>	<b>75,250</b>	<b>2.00%</b>
<b>Total Promoters &amp; Promoter Group Holding</b>	<b>37,62,460</b>	<b>100.00%</b>

<sup>(1)</sup> Mahesh Makhija is also the Promoter Selling Shareholder

#### G. Summary of Restated Financial Statement

(₹ in lakhs)

Particulars	For period ended Sept 30, 2020	For the year ended March 31,		
		2020	2019	2018
Share Capital	301.00	301.00	1.00	1.00
Net Worth	1,611.61	940.51	305.23	1.65
Total Income	5,871.38	7,277.80	5,190.83	8.37
Profit after Tax	671.11	635.28	303.58	0.65
Basic & Diluted EPS	17.84	16.88	8.07	0.02
Net Asset Value Per Share (₹)-based on actual no. of equity shares at the end of the year	53.54	31.25	3,052.31	16.55
Net Asset Value Per Share (₹)-based on actual no. of equity shares with bonus effect at the end of the year	42.83	25.00	8.11	0.04
Total Borrowings	1,677.16	1,160.43	455.29	5.05

H. There are no Auditor's Qualifications in any of the Financial Statements of the Company.

#### I. Summary of Outstanding Litigation are as follows

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (in Rs.)
<b>I.</b>	<b>Litigations filed against our Company</b>		
(a)	Criminal Matters	-	-
(b)	Direct Tax Liabilities	-	-
(c)	Other Pending Litigations	-	-
<b>II.</b>	<b>Litigations by our Directors/Promoters/ Group Company</b>		
(a)	Direct Tax Liabilities	-	-

J. Investors should read chapter titled "Risk Factors" beginning on page no. 20 of this Draft Prospectus to get a more informed view before making any investment decisions.

#### K. Summary of contingent liabilities

Summary table of our contingent liabilities as indicated in our Restated Financial Statements and also certified by our statutory auditors is as follows:

(₹ in lakhs)

Particulars	For period ended Sept 30, 2020	As at March 31,		
		2020	2019	2018
Income Tax and Interest	-	-	-	-
<b>TOTAL</b>	-	-	-	-

For further information, please refer “Annexure XXII Contingent Liability” in the chapter titled “Financial Statements as Restated” beginning from page no. 137 of this Draft Prospectus

#### L. Summary of Related Party Transactions

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

(₹ in lakhs)

Particulars	For period ended Sept 30, 2020	For the year ended March 31,		
		2020	2019	2018
<b>1) Finance</b>				
Opening Balance	261.37	78.93	5.05	-
Loan Taken	454.27	1,069.55	1,128.19	5.05
Repayment of Loan taken	194.45	887.11	1,054.30	-
<b>2) Expenses</b>				
Remuneration	42.00	68.50	35.00	
Rent	15.00	24.00	12.00	
Reimbursement Expense	-	-	3.52	-
Interest	18.91	-	-	-
Security Deposit	-	15.00	-	-
<b>3) Sales/ Purchase</b>				
Purchase	7.56	183.92	1,081.29	7.01
Sales	68.93	395.84	246.01	-
<b>4) Outstanding</b>				
Unsecured Loans	521.19	261.37	78.93	5.05
Rent payable	19.41	2.90	10.80	-
Remuneration payable	29.00	0.77	-	-
Reimbursement Expense payable	-	-	1.61	-
Debtors/ Advances to suppliers	2.48	338.28	26.22	7.86
Creditors/ Advances from customers	44.01	35.16	217.99	-

M. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of 6 (six) months immediately preceding the date of this Draft Prospectus.

N. The weighted average price of acquisition of Equity Shares by our Promoter and Selling Shareholder in last one year preceding the date of this Draft Prospectus is below:

Name of Promoter and Selling Shareholder	Average price of Acquisition (₹)
Mahesh Makhija	NIL

O. The average cost of acquisition of Equity Shares by our Promoter and Selling Shareholder is:

Name of Promoter and Selling Shareholder	Average price of Acquisition (₹)
Mahesh Makhija	0.02

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

- Q.** Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Prospectus except as stated under chapter titled “*Capital Structure*” beginning from page 50 of this Draft Prospectus.
  
- R.** Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus except as stated under chapter titled “*Capital Structure*” beginning from page 50 of this Draft Prospectus.

## SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. 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. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this Draft Prospectus, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page nos. 83, 143, 70 and 122 respectively of this Draft Prospectus, together with all other financial information contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*In this section, unless the context otherwise requires, a reference to the “Company”, “we”, “us” or “our” is a reference to QMS Medical Allied Services Limited. Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended September 30, 2020 and for the financial year ended March 31, 2020, March 31, 2019 and March 31, 2018 as included in “Financial Information” on page no. 122 of this Draft Prospectus.*

### INTERNAL RISKS

- 1. We outsource the manufacturing of our products and hence we have to rely on third parties for procuring pharmaceutical products sold by our Company. If these organizations are unable or unwilling to manufacture our products, or if these organizations fail to comply with FDA or other applicable regulations or otherwise fail to meet our requirements, our business will be harmed.***

Our Company is engaged in the marketing and distribution of medical devices, accessories and other staples which are used for branding exercises and medical awareness initiatives by large pharmaceutical companies. Our purpose is to enable our customers with creative innovative ideas, solutions and to evolve and establish their brands. We build values through our alliance with top healthcare product manufactures to achieve superior customer satisfaction, quality and commitment to serve our customers. We manage marketing and distribution of a wide range portfolio of products for other brands such as 3M, Heine, Rossmax etc. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of traded or marketed goods. There can be no assurance that such parties shall continuously provide their products to us or would not cater to demand of our competitors directly. We are also exposed to fluctuations in the prices of these traded/ marketed goods as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. In the event of any disruption in the goods supply or the non-availability of goods, the purchase and distribution schedule may be adversely affected impacting the sales and profitability of the Company.

Further, we have recently launched our brand “Qdevices”, which is a vision of Atmanirbhar Bharat, the manufacturing of which is outsourced by us to third parties and hence we have to rely on third parties for manufacturing the products, which are marketed by us under our own brand names. Any decline in the quality of

products manufactured by third parties or delay in delivery of products by such parties, may adversely affect our operations. In the event the prices of such goods were to rise substantially, we may find it difficult to make alternative arrangements, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition.

Furthermore, the manufacturing facilities and processes used by our vendors must be approved by the FDA and their respective regulators, where applicable, before the healthcare products manufactured by such vendor can be sold. After approval, vendors must meet certain ongoing regulatory requirements for product testing and stability of our commercially marketed products. We do not control the manufacturing processes of our vendors and depend on them to comply with current good manufacturing practices (“CGMP”), and obtain and maintain regulatory approval. If approval for a vendor is not received or ongoing testing does not continue to meet approved standards and approval is withdrawn, the vendor’s production would be delayed or suspended, which could adversely affect our products commercialization efforts. In the event that any of our third-party vendors were to become unable or unwilling to continue to provide the products in our required volumes, we would need to identify and obtain acceptable replacement sources on a timely basis. There is no guarantee that we would be able to obtain such alternative sources of supply on a timely basis, if at all. An extended interruption in the supply of our products, especially any high sales volume product, could have a material adverse effect on our results of operations.

**2. *The availability of look-alikes, counterfeit healthcare devices, primarily in our domestic market, manufactured by us or our suppliers and passed off as our products/ products marketed by us, could adversely affect our goodwill and results of operations.***

We are exposed to the risk that entities in India and elsewhere could pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit healthcare devices, including spurious or pirated products. For example, certain entities could imitate our brand name, packaging material or attempt to create lookalike products. Similarly, we may be unable to protect our trade secrets, including product specifications, which if obtained by counterfeiters, could be used to create products that are substantially similar to ours. 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.

**3. *We have not entered into long-term contracts with our major customers and typically operate on the basis of purchase orders, which could adversely impact our revenues and profitability.***

We generate sales generally by our continuing relationships with our customers as we do not enter in any long-term contract with of customers. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we also manage distribution for other brands such as 3M, Heine, Rossmax etc. With our expanding business scope, we believe that our brand alongwith other brands, over these years has built a reputation by marketing and distributing wide range of medical products strong customer base and has established an unyielding marketing setup.

Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives. We combine our expertise with an understanding of the healthcare market developed through market feedback and extensive interaction with various companies. We believe that we constantly try to address customer needs with a variety of products.

However, any change in the buying pattern of our end users or disassociation of major customers can adversely affect our business. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Although we believe that we have satisfactory business relations with our customers and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.



**4. *Introduction of alternative pharmaceutical products caused by changes in technology or consumer needs may affect demand for our existing products which may adversely affect our financial results and business prospects.***

Our business is affected by change in technology, consumer needs, market perception of brand, convenience, health and safety norms. Our ability or our suppliers ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we/ our suppliers will be able to keep pace with the technological advances that may be necessary for us/ them to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customers businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of pharmaceutical businesses and consumer needs may have an adverse effect on our business, profitability and growth prospects.

**5. *The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

In the first half of 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional.

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipments and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc.

Further, our ability to ensure the safety of our workforce and continuity of operations while conforming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facility or our offices and branches, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID- 19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

**6. *Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our, Trade Receivables and Inventories for the period ended September 30, 2020, were ₹ 1,504.50 lakhs and ₹ 2,339.96 lakhs respectively and for financial year ended March 31, 2020, were ₹ 1,121.23 lakhs and ₹ 1,569.47 lakhs respectively.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

**7. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Our success also depends on our key managerial personnel and our ability to attract and retain them. Any loss of our key person could adversely affect our business, operations and financial condition.***

The success of our business operations is attributable to our Promoter and Directors and the key managerial team. We believe that our relation with our Promoters, who have rich experience in markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoter, Mahesh Makhija has industry experience of around 26 years and possesses business intellect in the marketing and trading circles of pharma industry as they have been engaged in such business through family proprietary concern since 2 decades. He has been actively involved in the day to day operations and management since the incorporation of the Company. Further, our Promoter/ Directors have also promoted other companies/ firms/ ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our Promoter or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. The loss of service of the Promoter and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “*Our Management*” on page 104 of this Draft Prospectus.

**8. *Substantial portion of our revenues has been dependent upon limited number of customers.***

Consistent with the pharmaceutical industry practice, we do not have firm commitment supply agreements with most of our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Revenue from our top 10 customers constituted 85.12 % and 78.68 % of our revenue from operations for period/ year ending September 30, 2020 and March 31, 2020 respectively. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**9. We intend to prepay / repay certain loan facilities availed from our Promoters/ Directors/ Promoter Group Entity from the IPO Proceeds.**

One of the objects of the Issue is the prepayment / repayment of certain loan facilities, in full or in part, availed by our Company. We intend to use the proceeds from the Fresh Issue to repay loans from our Promoters / Directors/ Group Entities. As of September 30, 2020, we have availed an aggregate of ₹ 521.19 lakhs of unsecured loans from them and these loans were utilized towards working capital needs & other funding requirements of the Company from time to time. We intend to repay an aggregate of ₹ 500.00 lakhs of the said outstanding loan. We believe that the proposed repayment will enable us to improve our debt-equity ratio and reduce the total unsecured loans. For details of the outstanding loans proposed for repayment or prepayment, in full or in part from the Net Proceeds, refer the chapter “Objects of the Issue” on page 59 of this Draft Prospectus. The amount utilized to prepay / repay these loans will, therefore, not be available for investment in our business and will not result in any immediate increase in the value of your investment in our Equity Shares.

**10. Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution and is not subject to any monitoring by any independent agency. Our Company’s management will have flexibility in utilizing the Net Proceeds from the Issue. Any variation in the utilization of our Net Proceeds as disclosed in this Draft Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval.**

Our Company intends to use the Net Proceeds from the Fresh Issue for the purposes described in “Objects of the Issue” on page 59 of this Draft Prospectus. In terms of Regulation 262 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 10,000 lakhs. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company’s management regarding the application of the Net Proceeds from the Issue. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our Company’s efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business. Our Board will have significant flexibility in temporarily investing the Net Proceeds of the Issue. Accordingly, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of its business, increased profitability or an increase in the value of your investment.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the Shareholders and would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue, at a price and manner as specified in the SEBI ICDR Regulations. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilisation of our Net Proceeds, even if such variation is in our interest. Further, we cannot assure you that our Promoters or the controlling shareholders will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI. Accordingly, prospective investors in this Issue will need to rely upon our management’s judgment with respect to the use of Net Proceeds. If we are unable to enter into arrangements for utilization of Net proceeds as expected and assumed by us in a timely manner or at all, we may not be able to derive the expected benefits from the proceeds of the Issue and our business and financial results may suffer.

**11. Our Company has reported certain negative cash flows from its investing and financing activities on the basis of Restated Financial Statements, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

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

(₹ in lakhs)

Particulars	For Period Ended Sept 30, 2020	For the Year Ended March 31,		
		2020	2019	2018
Net Cash Generated from Operating Activities	19.16	(252.13)	(402.74)	(3.46)

Net Cash Generated from Investing Activities	(502.59)	(347.94)	(15.23)	-
Net Cash Generated from Financing Activities	449.57	651.81	429.16	6.05

For details, please see “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations of our company*” on page 143 of this Draft Prospectus.

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

**12. Our Company has incurred substantial indebtedness in form of secured and unsecured borrowings, which are repayable on demand. This could expose us to various risks which may have an adverse effect on our business and results of operations.**

As on September 30, 2020, our company had ₹ 1,677.16 lakhs of outstanding debt as per our Restated Financial Statements in relation to cash credit facilities from the bank(s) as well as other borrowings. This indebtedness includes secured loans of ₹ 1,155.97 lakhs and unsecured loans of ₹ 521.19 lakhs. Such unsecured loans are taken from Director/ Promoter Group Entity which may be recalled/ repayable on demand. For details, please see “*Financial Indebtedness*” on page 153 of this Draft Prospectus. Sudden recall for the repayment may disrupt our operations and may force us to opt for funding at higher interest rates, resulting in higher financial burden.

Further, in the event that we fail to meet our debt servicing obligations under our financing documents, the relevant lender(s) could declare us to be in default, accelerate the maturity of our obligations or even sell our Company’s movable and immovable assets. We cannot assure investors that in the event of any such acceleration we will have sufficient resources to repay these borrowings. Failure to meet obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. We cannot assure you that we will generate sufficient cash to enable us to service existing or proposed borrowings. Incurring significant indebtedness may limit our flexibility in planning for or reacting to changes in our business & industry and limit our ability to borrow additional funds. Further, our level of indebtedness has important consequences to our Company, such as:

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

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

**13. Any delay or default in payment from our customers could result in the reduction of our profits and affect our cash flows.**

Our operations involve extending credit, ranging typically from 40 to 90 days to our customers in respect of our sales. For the six months period ended September 30, 2020 and Fiscal Year ended 31st March 2020 our trade receivables were ₹ 1,504.50 lakhs and ₹ 1,121.23 lakhs respectively, which constituted 25.62 % and 15.41 % respectively of our revenues from operations as per Restated Financial Statements. Further, as stated in the Notes to the Restated Financial Statements, the balance appearing of our trade receivables and trade payables in the restated financial statements are subject to confirmation by the respective parties. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we had and may continue to have high levels of outstanding receivables. In case of any delay or default is made in payment by our Customers or if our management fails to accurately evaluate the credit worthiness of our customers, the same may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in case of increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

- 14. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of deficiency in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.**

Any deficiency in the pharmaceutical products marketed by us could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including any mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

- 15. Our Promoter Group Entity is engaged in the line of business similar to our Company. There are no non-compete agreements between our Company and such Promoter Group Entity. We cannot assure that our Promoter will not favour the interests of such entity over our interest or that the said entities will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.**

Our Promoter Group Entity namely, Queens Marketing Services is engaged in similar line of business as of our Company. We have not entered into any non- compete agreement with the said entity. We cannot assure that our Promoter/ Promoter Group who has common interest in said entity will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers/ customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.

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

Our Company has entered into certain related party transactions with our Promoters, Directors and our Group Entities in the past. For details, please see “Annexure XXIV of Restated Financial Statements” on page 137 of this Draft Prospectus. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. 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.

- 17. In addition to normal remuneration, other benefits and reimbursement of expenses of our Promoter and Directors and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Promoter, Directors and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors/ Promoter or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors 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, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

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



We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled "Key Regulations and Policies" and "Government and Other Key Approvals" at pages 93 and 160 respectively of this Draft Prospectus.

**19. *We are subject to risks arising from interest rate fluctuations, which could adversely affect our results of operations, planned expenditures and cash flows.***

As of September 30, 2020, a part of our indebtedness was at floating interest rates. If the interest rates of our existing or future borrowings increase significantly, our cost of funds will increase. A further increase in interest rates (or the current high interest rate environment not changing) may have an adverse effect on our results of operations and financial condition. While we could consider refinancing the loan or hedging interest rate risks in appropriate cases, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

**20. *We are exposed to foreign currency exchange rate fluctuations and exchange control risks, which may adversely affect our results of operations.***


Our operating expenses are denominated substantially in Indian Rupees. However, a meager percentage of our other expense was denominated in other currencies, U.S. Dollar/ Euros i.e. 6.60 % and 13.97 % of total expense for the period/ year ended September 30, 2020 and March 31, 2020 respectively. We import education modules for providing CME Services. A significant fluctuation in the Indian Rupee and U.S. Dollar rates and/or other foreign currency exchange rates could therefore have an impact on our results of operations. The exchange rates between the Indian Rupee and these currencies, primarily the U.S. Dollar, have fluctuated in the past and any appreciation or depreciation of the Indian Rupee against these currencies can impact our profitability and results of operations.

**21. *Our insurance coverage may not adequately protect us against all material hazards and the policies do not cover all risks. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our business could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Further, with respect to the insurances maintained by us, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.



**22. Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations.**

As on the date of the Draft Prospectus, our logo “” is registered under Class 41 with the Registrar of Trademarks in the name of Mahesh Makhija, the Promoter of the Company. He has permitted the Company to utilize the above trademark on non-exclusive basis under the no-objection letter dated May 10, 2019. However, no formal agreement fixing the terms and conditions of such user has been executed. There can be no assurance that the Promoter will not revoke the said no-objection letter, and in turn the usage of the above trademark by the Company. There can be no assurance that third parties will not infringe our intellectual property, causing damage to our reputation. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome thereof cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details pertaining to our intellectual property, please refer to the chapter titled “*Government and other Key Approvals*” and “*Business Overview*” beginning on page no 160 and 83 of this Draft Prospectus respectively.

**23. Our Registered office is not owned by us. Part of our Registered Office is not owned by us and the same is used by us on the basis of NOC granted by the owner. Disruption of our rights as licensee or termination of the agreements with our licensors would adversely impact our operations and, consequently, our business.**

Our Company’s registered office is situated at A1 A2/ B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. Office No. A2 and B2 are owned by our Company, while Office No. A1 and B1 are owned by Guddi Makhija & Mahesh Makhija- Our Promoter and Promoter Group. We have entered into a rent agreement and paid a license fee and refundable security deposit towards Office No. A1 and B1. For further details on the properties of our Company, please refer to the section “*Our Business - Properties*” on page no. 83 of this Draft Prospectus.

However, there can be no assurance that our Company will be able to successfully renew the above leave and license agreement in a timely manner or at all and that we may be continue to use the office in case of no formal agreements. Further there can be no assurance that we will not face any disruption of our rights as a licensee and that such leave and license agreement will not be terminated prematurely by the licensor. Any such non-renewal or early termination or any disruption of our rights as licensee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations.

**24. Our group company had incurred losses in the past and has negative net worth, which may have adverse effect on our reputation and business.**

Our Group Company, Queen’s Promotional Services Private Limited (QPSPL) had incurred losses in the preceding financial years and has negative net worth based on the last three year’s available audited financial statements, details of which are as given below:

(₹ in lakhs)

Particulars	For the Year Ended March 31,		
	2020	2019	2018
Profit/ (Loss) after tax	(0.23)	(15.48)	(0.06)
Net worth	(34.95)	(34.71)	(19.23)

For further details, please refer the chapter “*Our Group Company*” on page no. 118 of this Draft Prospectus. We cannot assure you that our Group Company will not incur loss or have negative net worth in the future.

**25. We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition. 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.**

Apart from marketing medical devices under our own brand name, and we also manage distribution for other brands and act as a solution provider for their branding and awareness initiatives. The market for our products and services is competitive on account of both the organized and unorganized players. Our products face competition

from products commercialized or under development by competitors in all of 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.

Players in this industry generally compete with each other on key attributes such as quality of products, distribution network, skilled man power, pricing and timely delivery and quality of services. 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. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

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 of 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.

- 26. *We have not identified any alternate source of raising the funds mentioned as our ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds for setting up the denim processing unit or may result in us borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the company.

- 27. *Any adverse decision in legal proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, its Promoters and Directors are not party to any pending legal proceedings. There can be no assurance that no such litigations will arise in the future against our Company, its Promoters and/or Directors. Any such proceedings may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims arise and are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” on page no. 155 of this Draft Prospectus.

- 28. *Our Promoters and members of the Promoter Group will continue to jointly retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After the completion of this IPO, our Promoter and promoter group will beneficially own approximately 72.10 % of our post-Issue equity share capital. As a result, the Promoters and Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**29. *Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As of September 30, 2020, our total outstanding indebtedness was ₹ 1,677.16 lakhs (including current maturities of our long term debt). Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- alteration of the capital structure of our Company and certain Subsidiaries, if any, in any manner;
- undertaking any term loans borrowings;
- making changes to our management set up;
- making any change in ownership and shareholding pattern, including effecting any change in our actual and beneficial ownership or control, of our Company and certain Subsidiaries;
- making any investment in group companies, joint ventures or associates;
- effecting any amalgamation, merger, reconstruction, takeover or consolidation in relation to our Company and certain Subsidiaries;
- amending the memorandum and articles of association of our Company and certain Subsidiaries;
- concluding any fresh borrowing arrangements, either secured or unsecured, with any other lender;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- effecting any material change in the management of our business or our operating structure;
- undertaking new projects or implementing any scheme of expansion or acquiring fixed assets;
- making any investment by way of subscription to share capital of, and loans, deposits or advances to, any other entity (including our group companies and associate companies);
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- effecting any repayment of loans and deposits and discharging other liabilities except those shown in the fund flow statements submitted to our lenders from time to time.

We are required to obtain the consents of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities. Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

**30. *Our inability to manage our growth may disrupt our business and reduce our profitability.***

A principal component of our strategy is to broaden the product mix and increase penetration in markets, also expand our global sales. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous upgradation increases the challenges involved in retaining high quality human resources, technology upgradation for manufacturing automotive components, financial management, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

**31. *Our Company will not receive any proceeds from the Offer for Sale portion.***

This Issue comprises of an offer for sale of 6,00,000 Equity Shares by our Promoter selling Shareholder, Mahesh Makhija. The proceeds from the Offer pertaining to the above sale shares will be paid to the aforesaid person and our Company will not receive any proceeds from the Offer for sale portion. For further details, please refer the chapter titled “*Objects of the Issue*” on page 59 of this Draft Prospectus.

**32. *Our Promoter and members of Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and members of Promoter Group in connection with our Company’s borrowings.***

Our Promoter and Managing Director, and our Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. If any of these guarantees are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and Promoter Group in connection with our Company’s borrowings.

**33. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**34. *In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects/ schedule of implementation of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter “*Objects of the Issue*” on page 59 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business strategies, development and other plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

**35. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and there can be no assurance that we will be able to pay dividends in the future.***

We currently intend to invest our future earnings, if any, to fund our growth. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Hence, there can be no assurance that we will be able to pay dividends in the future.

**36. *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 Listing Regulations which will require us to file audited annual and unaudited quarterly 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.

**RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE**

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2019, it has been proposed, that with effect from April 1, 2019, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**38. *Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders 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 us, including through exercise of employee stock options may dilute your shareholding in our Company, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other significant shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt or equity financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares. We cannot assure you that we will not offer Equity Shares or that our shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**39. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***



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. The Issue Price of the Equity Shares is proposed to be determined through a book-building process 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 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.

**40. *You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the EMERGE Platform of NSE.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after the Equity Shares in this Offer have been allotted. Approval will require all other relevant documents authorizing the issue of the Equity Shares to be submitted. There could be failure or delays in listing the Equity Shares on the EMERGE Platform of NSE. Further, certain actions must be completed before the Equity Shares can be listed and trading can commence. Investors' "book entry", or "Demat", accounts with Depository Participants are expected to be credited within three Working Days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final approval from the Designated Stock Exchange, trading in the Equity Shares is expected to commence within 6 Working Days from Offer Closing Date.

We cannot assure you that the Equity Shares will be credited to the investors' demat account, or that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining the approvals would restrict your ability to dispose of the Equity Shares.

**41. *There is no guarantee that the Equity Shares will be listed on the EMERGE Platform of NSE in a timely manner or at all, and any trading closures at the NSE may adversely affect the trading price of the Equity Shares.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. In addition, we are required to deliver the Prospectus for registration to the Registrar of Companies under the Companies Act, 2013. We cannot assure you that the Registrar of Companies will register such Prospectus in a timely manner or at all. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the EMERGE Platform of NSE. Any delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on the NSE could adversely affect the trading price of the Equity Shares.

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

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



## EXTERNAL RISK FACTORS

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

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

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

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

**45. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and neighboring countries might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares. India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on the value of share prices generally as well as the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

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

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

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

Equity Shares may be affected by changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

**47. We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.**

We are incorporated in and our operations are in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include: political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;

- occurrence of natural or man-made disasters;
- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- changes in India's tax, trade, fiscal or monetary policies;
- prevailing regional conditions,
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- Other significant regulatory or economic developments in or affecting India.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

**48. If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.**

Having our business operations in multiple jurisdictions, we are subject to varying central and state tax regimes. The applicable categories of taxes and tax rates also vary significantly from jurisdiction to jurisdiction, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each country as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned, and expenditure incurred. Our business and financial performance may be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business or the regulator enforcing them in any one of those countries may adversely affect our results of operations.

To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. Please see "Statement of Tax Benefits" on page 67 of this Draft Prospectus for details in relation to possible tax benefits available to our Company. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected.

Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time and any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results

of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

***49. 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.

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

<b>Equity Shares:</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company and the Selling Shareholder <sup>(2)</sup> :	Up to 12,24,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>Consisting of:</b>	
<b>Fresh Issue</b>	Up to 6,24,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
<b>Offer for Sale</b>	Up to 6,00,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<b>Which Comprises:</b>	
<b>Market Maker Reservation Portion</b>	Up to 62,400 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
<b>Net Issue to Public</b>	Up to 11,61,600 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs.
	<b>Of which</b> <sup>(3)</sup> :
	Up to 5,80,800 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of up to ₹ 2.00 lakhs
	Up to 5,80,800 Equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share will be available for allocation for Investors of above ₹ 2.00 lakhs
<b>Equity shares outstanding prior to the Issue</b>	37,62,500 Equity Shares of face value of ₹ 10 each
<b>Equity shares outstanding after the Issue</b>	Up to 43,86,500 Equity Shares of face value of ₹ 10 each
<b>Use of Net Proceeds</b>	Please refer to the section titled " <i>Objects of the Issue</i> " beginning on page no. 59 of this Draft Prospectus.

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled "Issue Information" beginning on page no. 173 of this Draft Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated December 04, 2020 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on December 07, 2020.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated December 04, 2020 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Mahesh Makhija	Up to 6,00,000
	<b>Total</b>	<b>Up to 6,00,000</b>

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Issue are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale.

<sup>(3)</sup> The allocation' is the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual applicants other than retail individual investors; and

*(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for*

*The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.*

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

*For further details please refer to the chapter titled “Issue Structure” beginning on page no. 179 of this Draft Prospectus.*

**SUMMARY OF FINANCIAL INFORMATION**

**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

*(₹ in lakhs)*

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>EQUITY AND LIABILITIES</b>				
<b>1.Shareholder's fund</b>				
a) Share Capital	301.00	301.00	1.00	1.00
b) Reserves and surplus	1,310.61	639.51	304.23	0.65
<b>Total Shareholder's Fund (1)</b>	<b>1,611.61</b>	<b>940.51</b>	<b>305.23</b>	<b>1.65</b>
<b>2. Non-Current liabilities</b>				
a) Deferred Tax Liabilities (Net)	2.58	-	-	-
<b>Total (2)</b>	<b>2.58</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>				
a) Short Term Borrowings	1,677.16	1,160.43	455.29	5.05
b) Trade Payables	1,460.31	1,119.43	873.70	500.58
c) Other Current liabilities	128.25	64.94	130.51	0.66
d) Short Term Provisions	228.26	62.70	23.88	0.52
<b>Total (3)</b>	<b>3,493.98</b>	<b>2,407.49</b>	<b>1,483.38</b>	<b>506.80</b>
<b>TOTAL (1+2+3)</b>	<b>5,108.18</b>	<b>3,348.00</b>	<b>1,788.61</b>	<b>508.46</b>
<b>ASSETS</b>				
<b>1.Non - Current Assets</b>				
a) Property, plant & equipment				
i.) Tangible assets	777.29	312.46	2.99	-
ii.) Intangible assets	9.36	11.52	8.85	-
b) Deferred Tax Assets (Net)	-	0.36	0.18	-
c) Long Term Loans and Advances	18.53	18.53	-	-
<b>Total (1)</b>	<b>805.18</b>	<b>342.88</b>	<b>12.02</b>	<b>-</b>
<b>2.Current Assets</b>				
a) Inventories	2,339.96	1,569.47	895.44	438.74
b) Trade Receivables	1,504.50	1,121.23	801.79	9.38
c) Cash and Bank Balances	31.67	65.53	13.79	2.59
d) Short Term Loans & Advances	5.91	22.47	0.09	-
e) Other current assets	420.96	226.42	65.47	57.75
<b>Total (2)</b>	<b>4,303.00</b>	<b>3,005.13</b>	<b>1,776.59</b>	<b>508.46</b>
<b>TOTAL (1+2)</b>	<b>5,108.18</b>	<b>3,348.00</b>	<b>1,788.61</b>	<b>508.46</b>



**STATEMENT OF PROFIT AND LOSS, AS RESTATED**
*(₹ in lakhs)*

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>INCOME:</b>				
Revenue from operations	5,871.38	7,273.96	5,189.48	8.37
Other Income	-	3.85	1.35	-
<b>Total Income</b>	<b>5,871.38</b>	<b>7,277.80</b>	<b>5,190.83</b>	<b>8.37</b>
<b>EXPENSES:</b>				
Purchase of stock-in trade	5,339.72	6,243.12	4,741.38	445.76
Change in inventory	(770.49)	(674.02)	(456.70)	(438.74)
Employee benefit expenses	89.63	160.91	85.30	-
Finance costs	67.17	53.32	21.08	-
Depreciation & Amortization expense	39.92	35.80	3.38	-
Other Expenses	204.38	586.59	358.94	0.44
<b>Total expenses</b>	<b>4,970.33</b>	<b>6,405.71</b>	<b>4,753.38</b>	<b>7.45</b>
<b>Profit before Prior period item, exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Prior period items	-	-	-	-
<b>Profit before exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Exceptional items	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Extraordinary items	-	-	-	-
<b>Net Profit /(Loss) before tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
<b>Less: Tax expense</b>				
Current tax	227.00	237.00	134.05	0.27
Deferred tax (assets)/ liabilities	2.95	(0.19)	(0.18)	-
<b>Total tax expense</b>	<b>229.95</b>	<b>236.81</b>	<b>133.87</b>	<b>0.27</b>
<b>Net profit / ( loss ) after tax</b>	<b>671.11</b>	<b>635.28</b>	<b>303.58</b>	<b>0.65</b>

**CASH FLOW STATEMENT, AS RESTATED**
*(₹ in lakhs)*

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>Cash Flow From Operating Activities</b>				
Net Profit before tax and after extra-ordinary items	901.05	872.09	437.45	0.92
<b>Adjustments for items:</b>				
Depreciation and amortisation expense	39.92	35.80	3.38	-
Interest Income	-	-	-	-
Finance Cost	67.17	53.32	21.08	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>1,008.14</b>	<b>961.21</b>	<b>461.92</b>	<b>0.92</b>
<b>Adjustment for Changes in Working Capital</b>				
Trade and other payable	340.89	245.73	373.12	500.58
Short-term provisions	165.55	38.82	23.36	0.52
Other Current Liabilities	63.32	(65.57)	129.85	0.66
Trade and other Receivables	(383.27)	(319.44)	(792.42)	(9.38)
Short Term Loans & Advances	16.56	(22.38)	(0.09)	-
Long Term Loans and advances	-	(18.53)	-	-
Other Current Assets	(194.54)	(160.94)	(7.73)	(57.75)
Inventories	(770.49)	(674.02)	(456.70)	(438.74)
<b>Cash Flow Generated from Operations</b>	<b>246.16</b>	<b>(15.13)</b>	<b>(268.68)</b>	<b>(3.19)</b>
Taxes Paid	227.00	237.00	134.05	0.27
<b>Net Cash flow from Operating activities (A)</b>	<b>19.16</b>	<b>(252.13)</b>	<b>(402.74)</b>	<b>(3.46)</b>
<b>Cash Flow From Investing Activities</b>				
(Purchase)/ Sale of Property, plant & equipment	(502.59)	(347.94)	(15.23)	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(502.59)</b>	<b>(347.94)</b>	<b>(15.23)</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>				
Issue of shares	-	-	-	1.00
Proceeds from/ (Repayment of ) Borrowing	516.73	705.14	450.24	5.05
Finance cost	(67.17)	(53.32)	(21.08)	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>449.57</b>	<b>651.81</b>	<b>429.16</b>	<b>6.05</b>
<b>Net Cash Flow during the year ( A + B + C )</b>	<b>(33.86)</b>	<b>51.75</b>	<b>11.19</b>	<b>2.59</b>
Cash & Cash equivalent at the beginning of the year	65.53	13.79	2.59	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>31.67</b>	<b>65.53</b>	<b>13.79</b>	<b>2.59</b>

Cash &amp; Cash Equivalents comprises of:

*(₹ in lakhs)*

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
Cash in hand	17.92	18.12	5.64	-
Balance with Banks	13.75	47.41	8.14	2.59
<b>Total</b>	<b>31.67</b>	<b>65.53</b>	<b>13.79</b>	<b>2.59</b>

## GENERAL INFORMATION

Our Company was incorporated as QMS Medical Allied Services Limited on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U33309MH2017PLC299748. For further details pertaining to the change of name of our Company and the change in Registered Office, please refer the chapter “History and Certain Corporate Matters” on page no. 100 of this Draft Prospectus.

## BRIEF COMPANY AND ISSUE INFORMATION

<b>Registered Office</b>	<b>QMS Medical Allied Services Limited</b> A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. <b>Tel No.:</b> 022 6288 1111 <b>Email ID:</b> <a href="mailto:contact@qmsmas.com">contact@qmsmas.com</a> <b>Website:</b> <a href="http://www.qmsmas.com">www.qmsmas.com</a>
<b>Date of Incorporation</b>	September 14, 2017
<b>Company Registration Number</b>	299748
<b>Company Identification Number</b>	U33309MH2017PLC299748
<b>Address of the Registrar of Companies</b>	<b>Address:</b> Everest, 100, Marine Drive, Mumbai – 400002 <b>Tel No.:</b> + 91 22 22812627/22020295/22846954 <b>Fax No.:</b> +91 22 22811977
<b>Issue Programme</b>	<b>Issue Opens on:</b> [●] <b>Issue Closes on:</b> [●]
<b>Designated Stock Exchange</b>	National Stock Exchange of India Limited
<b>Company Secretary and Compliance Officer</b>	<b>Deepali Malpani</b> <b>Address:</b> A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. <b>Tel No.:</b> 022 6288 1111 <b>Email ID:</b> <a href="mailto:contact@qmsmas.com">contact@qmsmas.com</a> <b>Website:</b> <a href="http://www.qmsmas.com">www.qmsmas.com</a>

## Board of Directors

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Mahesh Makhija	Chairperson & Managing Director	02700606	1101, Magnolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Mumbai-400055
Diti Makhija	Whole time Director	07916311	1101, Magnolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Mumbai-400055
Guddi Makhija	Non-Executive Director	08837871	1101, Magnolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Mumbai-400055
Gautam Khanna	Non-Executive Independent Director	06965110	A 1602 Bealimonde, Appa Saheb Marathe Marg, Near Tata Motors Showroom, Prabhadevi, VTC, Mumbai-400025
Raju Bhatia	Non-Executive Independent Director	09003123	Sea Princess Apartments, 3 <sup>rd</sup> Floor, Juhu Tara Road, Opp Little Italy, Mumbai – 400049.

For further details pertaining to the educational qualification and experience of our Directors, for details please refer to the chapter titled “Our Management” beginning on page no. 104 of this Draft Prospectus.

## Investor Grievances

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager 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 and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application 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.

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

### LEAD MANAGER



#### ARYAMAN FINANCIAL SERVICES LIMITED

60, Khatau Building, Ground Floor  
Alkesh Dinesh Modi Marg  
Opp. P. J. Towers (BSE Building),  
Fort, Mumbai – 400 001  
Tel No.: +91 – 22 – 6216 6999

Email: [ipo@afsl.co.in](mailto:ipo@afsl.co.in)

For Investor Grievances: [feedback@afsl.co.in](mailto:feedback@afsl.co.in)

Website: [www.afsl.co.in](http://www.afsl.co.in)

Contact Person: Hiral Motani/ Shweta Kothari

SEBI Registration No.: INM000011344

### REGISTRAR TO THE ISSUE



#### BIGSHARE SERVICES PRIVATE LIMITED

1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis  
Makwana Road, Marol, Andheri East, Mumbai – 400 059  
Tel. No.: +91 22 6263 8200

Email: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

Investor Grievance Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Contact Person: Arvind Tandel

SEBI Registration No.: INR000001385

### LEGAL COUNSEL TO THE ISSUE



#### M/s. KANGA & CO. (ADVOCATE & SOLICITORS)

Readymoney Mansion, 43, Veer Nariman Road,  
Fort, Mumbai - 400 001

Tel No.: +91 22 6623 0000 / 6633 2288

Email: [chetanthakkar@kangacompany.com](mailto:chetanthakkar@kangacompany.com)

Website: <http://www.kangacompany.com/>

Contact Person: Chetan Thakkar

## STATUTORY AUDITOR / PEER REVIEW AUDITOR

**M/s. P. V. Dalal & Co., Chartered Accountants**  
 1504/05, Yogi Paradise-A, Yogi Nagar,  
 New Link Road, Borivali (West), Mumbai – 400091  
**Tel:** +91- 22 –28997290  
**Email:** [pvd-ca@yahoo.co.in](mailto:pvd-ca@yahoo.co.in)  
**Contact Person:** Paresh Dalal  
**Membership No.:** 033355  
**Firm Registration No.:** 102049W  
**Peer Review No:** 009466

## CHANGES IN THE AUDITORS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:

Date	From	To	Reason for Change
December 07, 2020	<b>KHUSHBU PAREKH &amp; CO.</b> 37 3rd Floor, 109/117 Motisha Jain Bldg CP Tank Road, Mumbai Maharashtra- 400004 <b>Email:</b> <a href="mailto:khushbuparekhco@gmail.com">khushbuparekhco@gmail.com</a> <b>Contact Person:</b> Khushbu Parekh <b>Membership No.:</b> 179045	<b>M/s. P. V. Dalal &amp; Co., Chartered Accountants</b> 1504/05, Yogi Paradise-A, Yogi Nagar, New Link Road, Borivali (West), Mumbai – 400091 <b>Tel:</b> +91- 22 –28997290 <b>Email:</b> <a href="mailto:pvd-ca@yahoo.co.in">pvd-ca@yahoo.co.in</a> <b>Contact Person:</b> Paresh Dalal <b>Membership No.:</b> 033355 <b>Firm Registration No.:</b> 102049W <b>Peer Review No:</b> 009466	Appointment of Peer Review Certified Auditor

## BANKERS TO OUR COMPANY

[•]

## BANKER(S) TO THE ISSUE / REFUND BANK / SPONSOR BANK

[•]

## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

## INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

## **REGISTERED BROKERS**

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

## **REGISTRAR AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## **INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE**

Aryaman Financial Services Limited (AFSL) is the sole Lead Manager (LM) to the issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

## **MONITORING AGENCY**

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

## **APPRAISING AUTHORITY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **CREDIT RATING**

As the Issue is of Equity Shares, the appointment of a credit rating agency is not required.

## **IPO GRADING**

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

## **GREEN SHOE OPTION**

No green shoe option is applicable for the Issue.

## **TRUSTEES**

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

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely, M/s. P.V. Dalal & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated January 08, 2021, and Report on Statement of Tax Benefits dated January 08, 2021



and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

## FILING OF ISSUE DOCUMENT

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of Draft Prospectus shall be furnished to the Board in a soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Company, Mumbai situated at Everest,100, Marine Drive,Mumbai-400002.

## ISSUE PROGRAMME

Event	Dates
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds	[•]
Credit of Equity Shares to demat accounts of allottees	[•]
Commencement of trading of Equity Shares on the Stock Exchange	[•]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the 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 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, 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.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company, nor the Selling Shareholder, nor the Lead Manager are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
[●]	[●]	[●]	[●]

Note: Includes Upto 62,400 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI(ICDR) Regulations, as amended

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

## WITHDRAWAL OF THE ISSUE

Our Company and the Selling Shareholder, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would Issue a public notice in the newspapers, in which the pre- Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company and the Selling Shareholder withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

## MARKET MAKER

[●]

### Details of the Market Making Arrangement for this Issue

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 NSE to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issued.

[●], registered with EMERGE Platform of NSE 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 NSE 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 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 issue 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. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and EMERGE Platform of NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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.
8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

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.

9. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** EMERGE Platform of NSE 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.

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.

11. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

## CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price <sup>(3)</sup>
<b>A.</b>	<b>Authorized Share Capital</b>		
	50,00,000 Equity Shares of face value of ₹10 each	500.00	-
<b>B.</b>	<b>Issued, Subscribed And Paid-Up Equity Capital before the Issue</b>		
	37,62,500 Equity Shares of face value of ₹10 each	376.25	-
<b>C.</b>	<b>Present Issue in Terms of this Draft Prospectus</b>		
	Issue of Upto 12,24,000 Equity Shares of face value of ₹10 each <sup>(1)</sup>	122.40	[●]
	<b>Consisting of:</b>		
	Fresh Issue of up to 6,24,000 Equity Shares	62.40	[●]
	Offer for Sale of 6,00,000 Equity Shares	60.00	[●]
	<b>Which Comprises:</b>		
	Reservation of Market Maker of Upto 62,400 Equity Shares	6.24	[●]
	Net Issue to Public of Upto 11,61,600 Equity Shares	116.16	[●]
	<i>Of which<sup>(2)</sup></i>		
	Allocation to Retail Individual Investors of Upto 5,80,800 Equity Shares	58.08	[●]
	Allocation to other than Retail Individual Investors of Upto 5,80,800 Equity Shares	58.08	[●]
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	Upto 43,86,500 Equity Shares of face value of ₹10 each		438.65
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		NIL
	After the Issue		[●] <sup>(3)</sup>

<sup>(1)</sup> The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on December 04, 2020 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on December 07, 2020.

The Offer for Sale has been authorised by the Selling Shareholder by his consent letter dated December 04, 2020 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1.	Mahesh Makhija	Upto 6,00,000
	<b>Total</b>	<b>Upto 6,00,000</b>

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that she has not been prohibited from dealing in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder has also confirmed that she is the legal and beneficial owner of the Equity Shares being offered by him under the Offer for Sale.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

<sup>(3)</sup> To be finalized upon determination of the Issue Price.

Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

## CHANGES IN AUTHORIZED SHARE CAPITAL

The initial Authorized Share Capital shares of ₹ 1,00,000 (One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of ₹ 10 each was increased to ₹ 5,00,00,000 (Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on November 20, 2019.

## NOTES TO THE CAPITAL STRUCTURE

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

The following table sets forth details of the history of the Equity Share capital of our Company:

Year/ Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation <sup>(1)</sup>	10,000	10	10	Cash	Subscription to MOA	10,000	1,00,000	NIL
November 23, 2019 <sup>(2)</sup>	30,00,000	10	N.A	Other Than Cash	Bonus Issue	30,10,000	3,01,00,000	NIL
October 5, 2020 <sup>(3)</sup>	7,52,500	10	N.A	Other Than Cash	Bonus Issue	37,62,500	3,76,25,000	NIL

<sup>(1)</sup> Initial Subscription to MOA of 9,800 Equity Shares by Mahesh Makhija, 100 Equity Shares by Diti Makhija and 100 Equity Shares by Rani Makhija.

<sup>(2)</sup> Allotted 30,00,000 Equity Shares in the proportion of 300 Equity Share for every 1 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija (29,40,000 Equity Shares), Rani Makhija (30,000 Equity Shares), Diti Makhija (30,000 Equity Shares).

<sup>(3)</sup> Allotted 7,52,500 Equity Shares in the proportion of 1 Equity Share for every 4 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija (7,37,450 Equity Shares), Rani Makhija (7,525 Equity Shares), Diti Makhija (7,525 Equity Shares).

### 2. Details of Equity Shares issued for consideration other than cash:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefit accrued to Company
November 23, 2019 <sup>(1)</sup>	30,00,000	10	N.A	Bonus Issue	Expansion of Capital
October 5, 2020 <sup>(2)</sup>	7,52,500	10	N.A	Bonus Issue	Expansion of Capital

<sup>(1)</sup> Allotted 30,00,000 Equity Shares in the proportion of 1 Equity Share for every 1 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija (29,40,000 Equity Shares), Rani Makhija (30,000 Equity Shares), Diti Makhija (30,000 Equity Shares).

<sup>(2)</sup> Allotted 7,52,500 Equity Shares in the proportion of 1 Equity Share for every 1 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija (7,37,450 Equity Shares), Rani Makhija (7,525 Equity Shares), Diti Makhija (7,525 Equity Shares).

3. No shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

4. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.



5. Our Company has not issued any equity shares lower than the Issue Price during the preceding 1 (one) year except as stated below:

Date of Allotment	Name of the Allottees	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Promoters / Promoter Group	Reasons for Allotment	Benefit accrued to Company
October 5, 2020	Mahesh Makhija	7,37,450	10	N.A	Yes	Bonus Issue	Expansion of Capital
	Rani Makhija	7,525			Yes		
	Diti Makhija	7,525			Yes		
<b>Total</b>		<b>7,52,500</b>					

## 6. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder(II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoter & Promoter Group	3	37,62,460	-	-	37,62,460	100.00%	37,62,460	-	37,62,460	100.00%	-	100.00%	-	-	-	-	37,62,460
B	Public	4	40	-	-	40	Negligible	40	-	40	Negligible	-	Negligible	-	-	-	-	-
C	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>37,62,500</b>	<b>-</b>	<b>-</b>	<b>37,62,500</b>	<b>100.00%</b>	<b>37,62,500</b>	<b>-</b>	<b>37,62,500</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,62,460</b>

- b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Mahesh Makhija	36,87,210	98.00%
2.	Guddi Makhija	37,625	1.00%
3.	Diti Makhija	37,625	1.00%
<b>Total</b>		<b>37,62,460</b>	<b>100.00%</b>

- c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of two years prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share capital (%)
1.	Mahesh Makhija	9800	98.00%
2.	Rani Makhija	100	1.00%
3.	Diti Makhija	100	1.00%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

- d) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Mahesh Makhija	29,49,800	98.00%
2.	Rani Makhija	30,100	1.00%
3.	Diti Makhija	30,100	1.00%
<b>Total</b>		<b>30,10,000</b>	<b>100.0%</b>

- e) Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Draft Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre-Issue Equity Share Capital (%)
1.	Mahesh Makhija	36,87,210	98.00%
2.	Guddi Makhija	37,625	1.00%
3.	Diti Makhija	37,625	1.00%
<b>Total</b>		<b>37,62,460</b>	<b>100.00%</b>

- f) Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
- g) Our Company has not issued any warrants, convertible debentures, loan or any other instrument which would entitle the shareholders to equity shares upon exercise or conversion.

7. Except as disclosed in this Draft Prospectus, our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. 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 opening of the Issue 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 may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

## 8. Shareholding of our Promoter & Selling Shareholder

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

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	FV (₹)	Acquisition / Transfer Price	Cumulative No. of shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
<b>Mahesh Makhija<sup>(1)</sup></b>								
Upon Incorporation <sup>(2)</sup>	Subscription to MoA	Cash	9,800	10	10	9,800	0.26%	0.22%
November 23, 2019 <sup>(3)</sup>	Bonus	Other than Cash	29,40,000	10	NA	29,49,800	78.14%	67.02%
October 05, 2020 <sup>(4)</sup>	Bonus	Other than Cash	7,37,450	10	NA	36,87,250	19.60%	16.81%
October 21, 2020 <sup>(5)</sup>	Transfer	Cash	(40)	10	400	36,87,210	Negligible	Negligible

<sup>(1)</sup> Out of the total holding of Mahesh Makhija, shares aggregating to 6,00,000 equity shares are offered as part of Offer for Sale

<sup>(2)</sup> As per the initial Memorandum of Association of the Company, he had subscribed 9,800 Equity Shares of ₹10 each.

<sup>(3)</sup> Allotted 29,40,000 Equity Shares in the proportion of 1 Equity Share for every 1 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija.

<sup>(4)</sup> Allotted 7,37,450 Equity Shares in the proportion of 1 Equity Share for every 1 Equity Share held, by capitalization of Free Reserves to Mahesh Makhija

<sup>(5)</sup> Transferred 10 Equity shares each to Arul Dhass David, Abhishek Tiwari, Koushik Guha Thakurta and Charles James.

#### Notes:

- None of the shares belonging to our Promoter have been pledged till date.
- The entire Promoter' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- Our Promoter have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoter have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
- All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares.

#### b) Pre-Issue and Post-Issue Shareholding of our, Promoter and Promoter Group

Category of Promoter	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>1. Promoter</b>				
Mahesh Makhija	36,87,210	98.00%	3,087,210	70.38%
<b>2. Promoter Group (as per defined by Reg. 2(1)(pp) of SEBI ICDR Regulations)</b>				
Guddi Makhija	37,625	1.00%	37,625	0.86%
Diti Makhija	37,625	1.00%	37,625	0.86%
<b>Total Promoter &amp; Promoter Group Holding</b>	<b>37,62,460</b>	<b>100.00%</b>	<b>31,62,460</b>	<b>72.10%</b>
<b>Total Paid up Capital</b>	<b>37,62,500</b>	<b>100.00%</b>	<b>43,86,500</b>	<b>100.00%</b>

All Equity Shares held by the Promoter and members of our Promoter Group have been dematerialised as on date of this Draft Prospectus.

9. Our Company has Seven (7) shareholders, as on the date of this Draft Prospectus.

10. We hereby confirm that:

- a) None of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Draft Prospectus, except as mentioned below:

Date of Transaction	Name of Transferor	Name of Transferee	No. of Shares (F.V. ₹ 10)	Price per share (₹)	Nature of Transaction	Nature of Consideration
October 21, 2020	Mahesh Makhija	Arul Dhass David	10	10	Transfer	Cash
		Abhishek Tiwari	10	10	Transfer	Cash
		Koushik Guha Thakurta	10	10	Transfer	Cash
		Charles James	10	10	Transfer	Cash

- b) None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Prospectus.

#### 11. Promoter's Contribution and Lock-in details

- a) *Details of Promoter's Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of the Promoter	Number of shares locked-in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mahesh Makhija	Upto 8,80,000	20.06%
<b>Total</b>	<b>Upto 8,80,000</b>	<b>20.06%</b>

For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 8 under "Notes to Capital Structure" on page no. 50 of this Draft Prospectus.

We confirm that in compliance with Regulation 237 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- The Equity Shares held by the Promoter and offered for minimum 20% Promoter' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter' Contribution subject to lock-in.

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

- a) *Details of share capital locked-in for one (1) year*

- i) Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoter's Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.
  - ii) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
  - iii) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
  - iv) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
12. Neither the Company, nor its Promoter, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
  13. 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 Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares
  14. As on the date of this Draft Prospectus, the 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 Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
  15. As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
  16. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on page no. 104 of this Draft Prospectus.
  17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "*Issue Procedure*" beginning on page no 182 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
  18. An over-subscription to the extent of 10% of the Fresh 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 Fresh 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.



- 19.** Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 20.** 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.
- 21.** There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
- 22.** Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
- 23.** Our Promoter and Promoter Group will not participate in the Issue.
- 24.** Our Company has not re-valued its assets and we do not have any revaluation reserves till date.

## SECTION V- PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholder.

#### Offer for Sale

The Selling Shareholder propose to sell an aggregate of up to 6,00,000 Equity Shares held by him, aggregating up to ₹ [●] lakhs. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder.

#### Fresh Issue

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

1. Part Repayment of Loans
2. Funding Working capital requirements
3. General Corporate Purpose

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential stakeholders.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

#### Net Fresh Issue Proceeds

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

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Fresh Issue	[●]
Less: Company’s share of Issue related Expenses <sup>(1)</sup>	[●]
<b>Net Proceeds of the Fresh Issue</b>	<b>[●]</b>

<sup>(1)</sup> Except for the Regulatory related expenses, which will be borne by our Company, all other expenses relating to the Issue will be borne by our Company and the Selling Shareholders in proportion to the Equity Shares contributed to the Issue. The Issue expenses are estimated expenses and subject to change.

#### Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Fresh Issue (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Amount to be deployed from the Net Proceeds in FY 2021-22
1.	Part Repayment of Loans	500.00	500.00
2.	Funding Working capital requirements	1,350.00	1,350.00
3.	General Corporate Purpose	[●]	[●]
<b>Total</b>		<b>[●]</b>	<b>[●]</b>

#### Requirement of Funds and Means of Finance

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified or appraised by any bank, financial institution or any other external agency. They 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 from Fresh Issue or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

The entire fund requirements are to be financed from the Net Issue Fresh Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please see the section titled “*Risk Factors*” on page no. 20 of this Draft Prospectus.

## DETAILS OF THE FUND REQUIREMENTS

### 1. Part Repayment of Loans

We have from time to time availed unsecured loan from our Director and Group Entity, forming part of our Promoter & Promoter Group. As on September 30, 2020 our Company had total outstanding unsecured loans from Director and Group Entity amounting to ₹ 521.19 lakhs as confirmed by the Statutory Auditors M/s. P V Dalal & Co, Chartered Accountants, vide Certificate dated January 08, 2021. These loans carry an interest rate of 12% .p.a. M/s. P V Dalal & Co, Chartered Accountants, have further confirmed that these loans were mainly utilized for working capital needs & other funding requirements of the Company from time to time.

Following are the details of the loans we intend to part repay from the Net Fresh Issue proceeds.

(₹ in lakhs)

Sr. No.	Name of the Lender	Amt outstanding as on Sept 30, 2020	Amt. proposed to be repaid
1.	Mahesh Makhija	373.29	360.00
2.	Queen's Marketing Services (Prop-Rani Makhija)	147.90	140.00
<b>Total</b>		<b>521.19</b>	<b>500.00</b>

As on the date of this Draft Prospectus, Our Company has not repaid any of these loans. However, we may repay the above loans, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be recouped from the proceeds of the Fresh Issue.

### 2. Funding Working Capital Requirement

Our business is working capital intensive and we fund the majority of our working capital requirements in the ordinary course of our business from financing from various banks, financial institutions and internal accruals. As at September 30, 2020, our fund-based sanctioned working capital facilities comprised ₹ 1,200.00 lakhs from banks & other financial institutions. For further information, please refer “*Financial Indebtedness*” on page no. 153 of this Draft Prospectus.

#### Basis of estimation of working capital requirement and estimated working capital requirement

Our Company’s existing working capital requirement on the basis of our Restated Financial Statements for the Fiscal 2020 and Estimated Financials for the Fiscal 2021 is as set out in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Holding Levels (days)	For Fiscal 2019-20 (Audited)	Holding Levels (days)	For Fiscal 2020-21 (Estimated)
<b>I.</b>	<b>Current Assets:</b>				
1.	Inventories	72	1,569.47	68	2,450.00
2.	Trade Receivable	48	1,121.23	46	2,150.00
3.	Short Term Loans & Advances		22.47		120.00
4.	Other Current Assets		226.42		380.00
	<b>Total Current Assets (A)</b>		<b>2,939.60</b>		<b>5,100.00</b>

<b>II.</b>	<b>Current Liabilities</b>				
1.	Trade Payables	58	1,119.43	60	2,450.00
2.	Other Current Liabilities and Short term Provisions		127.64		100.00
	<b>Total Current Liabilities (B)</b>		<b>1,247.07</b>		<b>2,550.00</b>
<b>III.</b>	<b>Total Working Capital Gap (A – B)</b>		<b>1,692.52</b>		<b>2,550.00</b>
<b>IV.</b>	<b>Funding Pattern:</b>				
1.	Working Capital Facilities from Banks & Others Financial Institutions		899.06		1,200.00 <sup>(1)</sup>
2.	Unsecured Loans		261.37		
3.	Internal Accruals / Owned Funds		532.10 <sup>(2)</sup>		
4.	Part of the Net proceeds to be utilised		-		<b>1,350.00</b>

<sup>(1)</sup> Our sanctioned working capital facilities as on date of this Draft Prospectus comprised ₹ 1,200.00 lakhs from banks and other financial institutions.

<sup>(2)</sup> The Statutory Auditors of the Company, M/s. P V Dalal & Co, Chartered Accountants, vide their certificate dated January 08, 2021 have confirmed that the Company's 'Internal Accruals' and 'Owned Funds' as on March 31, 2020 aggregates to 678.69 lakhs and ₹ 97.69 lakhs, respectively.

Our Statutory Auditor has, pursuant to a certificate dated January 08, 2021, certified the working capital requirements of our Company for the Fiscal 2022.

#### Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Inventories	Inventory days are computed from the historic Restated Financial Statements and management estimates. Our Company is engaged in the marketing and distribution of medical device and we work on purchase order basis and hence we believe in not maintaining inventory on higher level. Therefore, our Company estimates, Inventory level to be at 68 days for the financial year 2020-21.
Trade Receivables	Trade Receivables days are computed from the historic Restated Financial Statements and are adjusted for future estimates based on management estimates. Our Company has estimated the holding level for Trade Receivable as 46 days of revenue from operations for the Financial Year 2020-21 considering continuation of current credit period due to volatile turnover growth.
<b>Current Liabilities</b>	
Trade Payables	Trade Payables are computed from the historic Restated Financial Statements and are adjusted for future estimates based on management estimates. Our Company estimates that with increased orders, we will be able to bargain a better Creditor period and estimates the same to as 60 days for the Financial Year 2020-21.

### 3. General Corporate Purpose

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

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

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230 (2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to

this Draft Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

## ISSUE RELATED EXPENSES

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

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

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

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

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

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

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

## Appraisal and Bridge Loans

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

## Year wise Deployment of Funds / Schedule of Implementation

As on the date of this Draft Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2021 – 22.

## Monitoring of Utilization of Funds

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

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock

Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above.

#### **Interim Use of Funds**

Pending utilization of the Net Proceeds from Fresh Issue for the purposes described above, our Company will deposit the Net Proceeds from Fresh Issue with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds from Fresh Issue for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

#### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in Regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

#### **Other Confirmations / Payment to Promoters and Promoter's Group from the IPO Proceeds**

Except for part repayment of loan of ₹ 500.00 lakhs to our Promoter & Promoter Group as mentioned in this Chapter above, no part of the Net Proceeds from Fresh Issue will be paid by our Company as consideration to our Promoter, Promoter Group, our Board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law.



## BASIS OF ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is ₹ 10 and Issue Price is ₹ [●] per Equity Shares and is [●] time of the face value. Investors should read the following basis with the sections titled “Risk Factors”, “Financial Information” and the chapter titled “Our Business” beginning on page nos. 20, 122 and 83 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

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

- Experienced Promoter and management team with strong industry expertise and successful track record
- Existing well established goodwill and client relationships
- Asset light business model and competitive products
- Quality assurance

For more details on qualitative factors, refer to chapter “Our Business” on page no. 83 of this Draft Prospectus.

### Quantitative Factors

The information presented in this section for the six month period ended September 30, 2020, Fiscal ended March 31, 2020, March 31, 2019 and March 31, 2018 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Financial Statements as Restated” on page no. 122 of this Draft 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 / Loss Per Share (“EPS”)

Year ended March 31,	Basic & Diluted	
	EPS (in ₹) <sup>(1)</sup>	Weights
2020	16.88	3
2019	8.07	2
2018	0.02	1
<b>Weighted Average</b>	<b>11.13</b>	
For period ended September 30, 2020 <sup>(2)</sup>	<b>17.84</b>	

<sup>(1)</sup> Based on Restated Financials of our Company

<sup>(2)</sup> Not Annualised

#### Notes:

a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year / period}}$$

b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit / (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year / period}}$$

c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together with paragraph 7 of Companies (Accounting) Rules, 2014.

d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in “Annexure IV & V - Financial Information” beginning on page no. 122 Draft Prospectus.

## 2. Price Earnings Ratio (“P/E”) in relation to the Price of ₹ [●] per share of ₹ 10 each

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2020	[●]
P/E ratio based on Weighted Average EPS	[●]

\* The same shall be updated once IPO price is finalised and updated in the Prospectus prior to opening the issue.

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

## 3. Return on Net worth (RoNW)

Year ended March 31,	RoNW (%) <sup>(1)</sup>	Weight
2020	67.55%	3
2019	99.46%	2
2018	39.57%	1
<b>Weighted Average</b>	<b>73.52%</b>	
For period ended September 30, 2020 <sup>(2)</sup>	<b>41.64%</b>	

<sup>(1)</sup> Based on Restated Financials of our Company

<sup>(2)</sup> Not Annualised

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit /loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

## 4. Net Asset Value (NAV)

Financial Year	NAV (₹)
<b>NAV as at March 31, 2020</b>	
based on actual no. of equity shares at the end of the year	31.25
based on actual no. of equity shares with bonus effect at the end of the year/ period <sup>(1)</sup>	25.00
<b>NAV as at September 30, 2020</b>	
based on actual no. of equity shares at the end of the year	53.54
based on actual no. of equity shares with bonus effect at the end of the year/ period <sup>(1)</sup>	42.83
NAV after Issue	[●]
Issue Price (₹)	[●]

<sup>(1)</sup> As on September 30, 2020; the Company's paid up equity capital consist of 30,10,000 fully paid up equity shares of face value of Rs. 10/- each. Our Company has after September 30, 2020 allotted an aggregate of 7,52,500 equity shares of Rs. 10 each as bonus issue.

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

## 5. Comparison with Industry Peers

We believe that there is no listed Company which is specifically comparable to us w.r.t. our business model, size and financials.

6. The Company in consultation with the Lead Manager believes that the Issue price of ₹ [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the Company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value i.e. ₹ [●] per share.

## STATEMENT OF TAX BENEFITS

To,  
**The Board of Directors,**  
**QMS Medical Allied Services Limited**  
A1 A2/B1 B2, Navkala Bharti Bldg,  
Plot No16, Prabhat Colony,  
Santacruz- East, Mumbai- 400055

Dear Sirs,

**Sub: Statement of Possible Special Tax Benefits available to QMS Medical Allied Services Limited and its shareholders prepared in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).**

We hereby report that the accompanying Statement states the possible special tax benefits available to the Company and shareholders of the Company (hereinafter referred to as “**the Statement**”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2020 presently in force in India (together referred to as the “**Direct Tax Laws**”), the Goods and Service Tax laws & Customs Act, 1962 (read with rules, circulars, notifications) presently in force in India (together referred to as the “**Indirect Tax Laws**”).

These possible special tax benefits are dependent on the Company and/ or the Company’s shareholders fulfilling the conditions prescribed under relevant Direct Tax Laws, Indirect Tax Laws and other laws. Hence, the ability of the Company or the Company’s shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the Company’s shareholders may or may not choose to fulfil. The Company does not have any subsidiary as on date of the Draft Prospectus/ Prospectus.

The benefits discussed in the enclosed Statement are not exhaustive and only cover the possible special direct and indirect tax benefits available to the Company and the Company’s shareholders. The Statement is neither designed nor intended to be a substitute for professional tax advice and each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company.

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

- a) the Company or its shareholders will continue to obtain these possible special tax benefits in future; or
- b) the conditions prescribed for availing the possible special tax benefits, where applicable, have been/would be met with; and

The contents of this Statement are 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.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby give consent to include this Statement in the Draft Prospectus and Prospectus in connection with the proposed initial public offering of the Company.

Yours faithfully,

**For M/s. P. V. Dalal & Co.,**  
**Chartered Accountants**  
(Firm Registration No. 102049W)

Paresh Dalal  
**Proprietor**  
Membership No: 033355  
Place: Mumbai  
Date: January 08, 2021  
UDIN: 21033355AAAAN2333

**Annexure**

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND COMPANY'S SHAREHOLDERS**

Outlined below are the possible special tax benefits available to **QMS Medical Allied Services Limited** (“**the Company**”) and to its Shareholders under the direct and indirect Tax Laws in force in India (i.e. applicable for the Financial Year 2019-20 and period ending September 2020 relevant to the Assessment Year 2020 – 21 and Assessment Year 2021-22).

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

Direct Tax

There are no special direct tax benefits available to the Company.

Indirect Tax

There are no special indirect tax benefits available to the Company.

**SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

Direct Tax

There are no special direct tax benefits available to the Shareholders of the Company.

Indirect Tax

There are no special indirect tax benefits available to the Shareholders of the Company.



---

## SECTION VI – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Statements*” and related notes beginning on page nos. 20 and 122 of this Draft Prospectus.

#### Global Economic Overview

The baseline projection assumes that social distancing will continue into 2021 but will then fade over time as vaccine coverage expands and therapies improve, with local transmission brought to low levels everywhere by the end of 2022. Vaccine trials have progressed at an unprecedented rate, and some have reached the final testing phase prior to approval or rejection. Nonetheless, even after approval, vaccine coverage is likely to expand only gradually as it will take time to scale up production and distribute adequate doses worldwide at affordable prices. In countries where infection rates appear to have gone past their peak, persistent behavioral changes, together with enhanced workplace hygiene and safety standards, are assumed to keep new infections at a level that allows health care systems to cope with the caseload and without requiring a return to economy-wide lockdowns. For other countries where infections are still rising, the baseline also assumes the possibility of renewed lockdowns for particular zones, even if stringent nationwide shutdowns are not repeated.

Growth in the advanced economy group is projected at –5.8 percent in 2020, 2.3 percentage points stronger than in the June 2020 WEO Update. The upward revision reflects, in particular, the better-than-foreseen US and euro area GDP outturns in the second quarter. In 2021 the advanced economy growth rate is projected to strengthen to 3.9 percent, leaving 2021 GDP for the group some 2 percent below what it was in 2019. The US economy is projected to contract by 4.3 percent, before growing at 3.1 percent in 2021. A deeper contraction of 8.3 percent is projected for the euro area in 2020, reflecting a sharper downturn than in the United States in the first half of the year. The growth bounce-back of 5.2 percent projected for 2021 is accordingly stronger from a lower base. Asian advanced economies are projected to have somewhat more moderate downturns than those of Europe, in light of the more contained pandemic, also reflected in smaller GDP declines during the first half of 2020.

Among emerging market and developing economies, growth is forecast at –3.3 percent in 2020, 0.2 percentage point weaker than in the June 2020 WEO Update, strengthening to 6 percent in 2021. Prospects for China are much stronger than for most other countries in this group, with the economy projected to grow by about 10 percent over 2020–21 (1.9 percent this year and 8.2 percent next year). Activity normalized faster than expected after most of the country reopened in early April, and second quarter GDP registered a positive surprise on the back of strong policy support and resilient exports.

For many emerging market and developing economies excluding China, prospects continue to remain precarious. This reflects a combination of factors: the continuing spread of the pandemic and overwhelmed health care systems; the greater importance of severely affected sectors, such as tourism; and the greater dependence on external finance, including remittances. All emerging market and developing economy regions are expected to contract this year, including notably emerging Asia, where large economies, such as India and Indonesia, continue to try to bring the pandemic under control.

Revisions to the forecast are particularly large for India, where GDP contracted much more severely than expected in the second quarter. As a result, the economy is projected to contract by 10.3 percent in 2020, before rebounding by 8.8 percent in 2021. Regional differences remain stark, with many countries in Latin America severely affected by the pandemic facing very deep downturns, and large output declines expected for many countries in the Middle East and Central Asia region and oil-exporting countries in sub-Saharan Africa affected by low oil prices, civil strife, or economic crises. Growth for emerging market and developing economies excluding China is projected at –5.7 percent for 2020 and 5 percent for 2021. The projected rebound in 2021 is not sufficient to regain the 2019 level of activity by next year. Growth among low-income developing countries is projected at –1.2 percent in 2020, strengthening to 4.9 percent in 2021. Higher population growth and low starting levels of income imply that even this more modest

contraction compared with most emerging market economies will take a very heavy toll on living standards, especially for the poor.

**Table 1.1. Overview of the World Economic Outlook Projections**  
(Percent change, unless noted otherwise)

	2019	Projections		Difference from June 2020 WEO Update <sup>1</sup>		Difference from April 2020 WEO <sup>1</sup>	
		2020	2021	2020	2021	2020	2021
<b>World Output</b>	<b>2.8</b>	<b>-4.4</b>	<b>5.2</b>	<b>0.8</b>	<b>-0.2</b>	<b>-1.1</b>	<b>-0.5</b>
<b>Advanced Economies</b>	<b>1.7</b>	<b>-5.8</b>	<b>3.9</b>	<b>2.3</b>	<b>-0.9</b>	<b>0.3</b>	<b>-0.6</b>
United States	2.2	-4.3	3.1	3.7	-1.4	1.6	-1.6
Euro Area	1.3	-8.3	5.2	1.9	-0.8	-0.8	0.5
Germany	0.6	-6.0	4.2	1.8	-1.2	1.0	-1.0
France	1.5	-9.8	6.0	2.7	-1.3	-2.6	1.5
Italy	0.3	-10.6	5.2	2.2	-1.1	-1.5	0.4
Spain	2.0	-12.8	7.2	0.0	0.9	-4.8	2.9
Japan	0.7	-5.3	2.3	0.5	-0.1	-0.1	-0.7
United Kingdom	1.5	-9.8	5.9	0.4	-0.4	-3.3	1.9
Canada	1.7	-7.1	5.2	1.3	0.3	-0.9	1.0
Other Advanced Economies <sup>2</sup>	1.7	-3.8	3.6	1.1	-0.6	0.8	-1.0
<b>Emerging Market and Developing Economies</b>	<b>3.7</b>	<b>-3.3</b>	<b>6.0</b>	<b>-0.2</b>	<b>0.2</b>	<b>-2.1</b>	<b>-0.5</b>
Emerging and Developing Asia	5.5	-1.7	8.0	-0.9	0.6	-2.7	-0.5
China	6.1	1.9	8.2	0.9	0.0	0.7	-1.0
India <sup>3</sup>	4.2	-10.3	8.8	-5.8	2.8	-12.2	1.4
ASEAN-5 <sup>4</sup>	4.9	-3.4	6.2	-1.4	0.0	-2.8	-1.5
Emerging and Developing Europe	2.1	-4.6	3.9	1.2	-0.3	0.6	-0.3
Russia	1.3	-4.1	2.8	2.5	-1.3	1.4	-0.7
Latin America and the Caribbean	0.0	-8.1	3.6	1.3	-0.1	-2.9	0.2
Brazil	1.1	-5.8	2.8	3.3	-0.8	-0.5	-0.1
Mexico	-0.3	-9.0	3.5	1.5	0.2	-2.4	0.5
Middle East and Central Asia	1.4	-4.1	3.0	0.4	-0.5	-1.3	-1.0
Saudi Arabia	0.3	-5.4	3.1	1.4	0.0	-3.1	0.2
Sub-Saharan Africa	3.2	-3.0	3.1	0.2	-0.3	-1.4	-1.0
Nigeria	2.2	-4.3	1.7	1.1	-0.9	-0.9	-0.7
South Africa	0.2	-8.0	3.0	0.0	-0.5	-2.2	-1.0
<i>Memorandum</i>							
Low-income Developing Countries	5.3	-1.2	4.9	-0.2	-0.3	-1.6	-0.7
Middle East and North Africa	0.8	-5.0	3.2	0.7	-0.5	-1.8	-1.0
World Growth Based on Market Exchange Rates	2.4	-4.7	4.8	1.4	-0.5	-0.5	-0.6

(Source: IMF staff estimates)

**Note:** Real effective exchange rates are assumed to remain constant at the levels prevailing during July 24–August 21, 2020. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

<sup>1</sup> Difference based on rounded figures for the current, June 2020 WEO Update, and April 2020 WEO forecasts. Global and regional growth figures are based on new purchasing-power-parity weights derived from the recently released 2017 International Comparison Program survey (see Box) and are not comparable to the figures reported in the April 2020 WEO.

<sup>2</sup> Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

<sup>3</sup> For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

(Source: World Economic Outlook Update, October 2020)

## Indian Economic Overview

### Introduction

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

### Market size

India's GDP (at constant 2011-12 prices) was estimated at Rs 26.9 trillion (US\$ 363.49 billion) for the first quarter of FY2020-21, against Rs 35.35 trillion (US\$ 477.67 billion) in the first quarter of FY2019-20, showing a contraction of 23.9%, compared with 5.2% growth in the first quarter of FY2019-20.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

India's foreign exchange reserve was Rs 39 .64 trillion (US\$ 542.01 billion) in the week up to September 4, 2020 according to data from the RBI.

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

GDP likely recovered relatively robustly in Q3 (Q2 FY 2020) as large swaths of the economy came back online, leading to a softer contraction in the industrial and services sectors, while agricultural output should have expanded at a stronger pace. Turning to Q4 (Q3 FY 2020), economic activity should be improving: In October, the services sector PMI posted the first expansion since March, while the manufacturing PMI indicated output growth hit a 13-year high. However, shrinking employment in October and lingering targeted containment measures likely continue to weigh on household spending. In November, the government outlined the third installment of stimulus to combat the fallout from Covid-19, focusing largely on credit growth, job creation and infrastructure. Total spending on Covid-19 relief amounts to roughly 2.0% of GDP now—but will likely have a limited impact on the ongoing recovery and its fiscal position.

(Source: <https://www.focus-economics.com/countries/india> )

The downturn continued to moderate in recent months, after a record GDP contraction in Q2 (Q1 FY 2020) due to the pandemic. In August, industrial production fell at a softer pace than in July, while the services sector PMI jumped notably in September. Moreover, September's manufacturing PMI hit the highest mark since January 2012, while exports increased in the same month for the first time since February of this year, hinting at improving external sector conditions. Furthermore, household spending should have gained traction in Q3 as some restrictions were loosened, although elevated inflation may have stunted the pace of recovery. On the fiscal front, in mid-October the government unveiled a modest USD 10 billion stimulus package to combat the fallout from Covid-19, which, although expected to provide a temporary boost to sentiment, should have a marginal impact on the overall recovery.

The economy is expected to tumble in FY 2020 (April 2020–March 2021) as Covid-19 containment measures hamper domestic activity and external demand. Moreover, the ongoing spread of the virus and prolongation of lockdown measures, coupled with fiscal stimulus measures falling well short of the mark, continue to pose a downside risk to the outlook.

(Source: <https://www.focus-economics.com/countries/india> )

## **Global Healthcare Industry**

The global home healthcare market size is anticipated to reach USD 515.6 billion by 2027, registering a CAGR of 7.9%. This growth can be attributed to cost-efficiency, improved patient outcomes, and convenience offered by home healthcare agencies. In addition, a rising geriatric population and growing prevalence of chronic diseases such as Alzheimer's, dementia, and orthopedic conditions, is expected to drive market growth. As per the Population Reference Bureau data updated in June 2019, the number of people aged 65 years and above was 52 million in 2018 and is projected to double by 2060 to reach 95 million. The World Health Organization (WHO) statistics state that there are around 50 million dementia patients in the world with 10 million new cases getting added every year. This number is expected to reach 82 million by 2030.

The elderly population is expected to outnumber the children population in the span, which is a demographic shift and poses to be a public health challenge. Besides, maintenance and establishment of hospitals and other healthcare settings need high capital investment. Some of the healthcare solutions providers are following merger and acquisition strategy to enter the market, in order to provide cost-effective service and leverage the expertise of the merged or acquired firm. Also, shifting trends toward in-home healthcare services for patients to avoid hospital stay is another key factor driving home healthcare market growth. In the past several years, the number of nursing facilities has reduced, while the in-home nursing programs have doubled.

(Source: <https://www.globenewswire.com/news-release/2020/06/17/2049404/0/en/Worldwide-Home-Healthcare-Market-Analysis-2020-2027-Global-Market-Forecast-to-Reach-USD-515-6-billion-by-2027.html> )

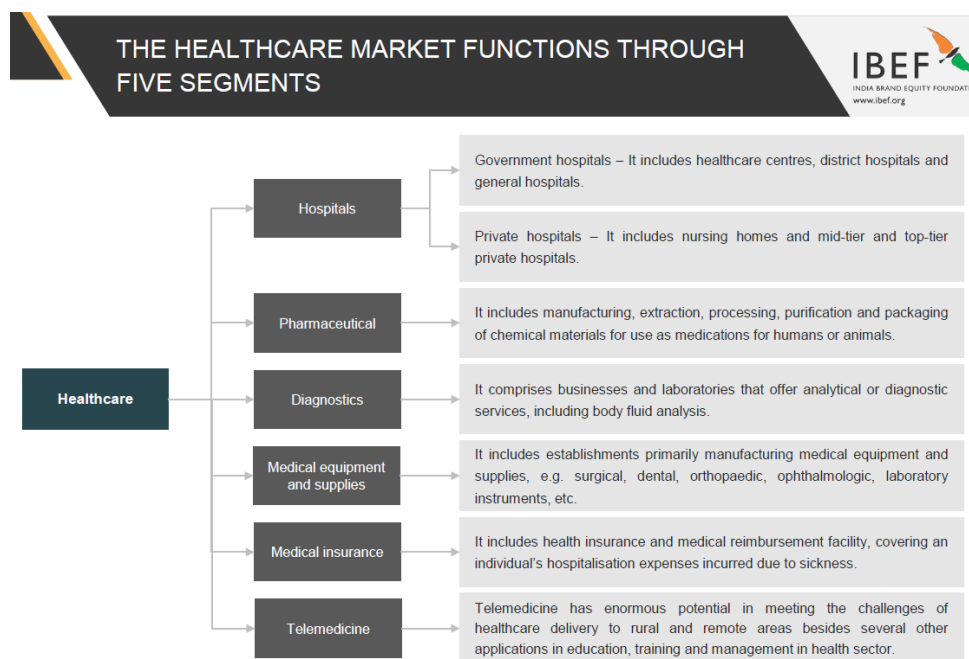


(Source: <https://policyadvice.net/insurance/insights/healthcare-statistics/>)

## Indian Healthcare Industry

Fourth largest employer:

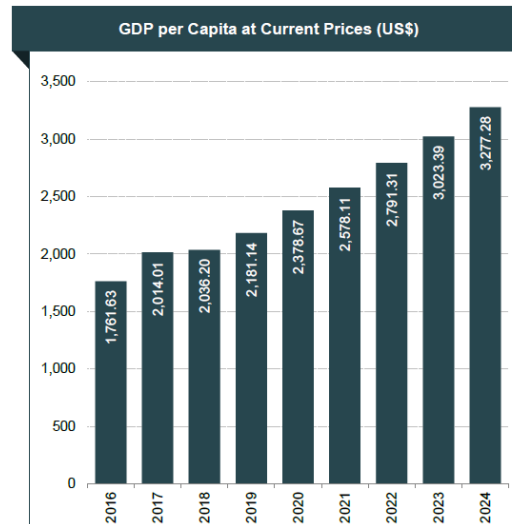
- India is expected to rank amongst the top three health care markets in terms of incremental growth by 2020.
- In FY19, Indian health care sector stood as the fourth largest employer as it employed a total of 319,780 people. The sector is expected to generate 40 million jobs in India by 2020.
- The Asian Research and Training Institute for Skill Transfer (ARTIST) announced plans to create around one million skilled healthcare providers by 2022.



Source: Hospital Market – India by Research on India

## RISING INCOME, AGEING POPULATION TO BE KEY HEALTHCARE DEMAND DRIVER

- Rising income means a steady growth in the ability to access health care and related services.
- Per capita GDP of India is expected to reach US\$ 3,277.28 in 2024 from US\$ 1,761.63 in 2016.
- Moreover, changing demographics will also contribute to greater health care spending. This is likely to continue as the size of elderly population is set to rise from the current 98.9 million to about 168 million by 2026.
- Per capita GDP at current prices for 2019-20 stood at US \$ 2,181.14.



## OPPORTUNITIES IN HEALTHCARE

### Healthcare infrastructure:

- Additional three million beds will be needed for India to achieve the target of 3 beds per 1,000 people by 2025.
- Additional 1.54 million doctors and 2.4 million nurses will be required to meet the growing demand for health care. 58,000 job opportunities are expected to be generated in the health care sector by 2025.
- Over US\$ 200 billion is expected to be spent on medical infrastructure by 2024.
- Over the years, India has made strategic interventions in National Health Mission and the national disease control programmes to ensure quality and affordable healthcare for all.

### Research

- Contract research is a fast-growing segment in the Indian health care industry.
- Cost of developing new drugs is as low as 60% of the testing cost in the US.
- To promote the research in traditional system of medicine in Himalayan region ,Central Council for Research in Ayurvedic Sciences (CCRAS) established nine institutes in Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Assam, Arunachal Pradesh, Sikkim, Tripura and Nagaland.

(Source: <https://www.ibef.org/download/Healthcare-September-2020.pdf> )

### Global Medical Equipment Sector

The global medical devices market, the production of non-COVID medical equipment is severely impacted due to the focus of major production lines on the manufacturing of COVID medical equipment such as life support ventilators, PPE and others, and less demand for non-COVID medical equipment due to the deferring of elective medical procedures and lowering of patient submissions in hospitals for non-COVID medical procedures due to the fear of virus transmission.

The medical devices market 2020 size reached nearly \$456.9 billion in 2019, having increased at a compound annual growth rate (CAGR) of 4.4% since 2015. The market is expected to decline from \$456.9 billion in 2019 to \$442.5 billion in 2020 at a rate of -3.2%. The decline is mainly due to lockdowns imposed by the governments across the world that hindered the supply chain in the medical devices manufacturing industry. However, there is an unprecedented increase in the manufacturing of the ventilators that are used to treat COVID-19 patients.

The medical devices market is then expected to recover and grow at a CAGR of 6.1% from 2021 and reach \$603.5 billion in 2023. Going forward beyond 2020, a rapid increase in the prevalence of infectious diseases, and increasing prevalence of chronic diseases will support the market growth. Analysis of the medical device market by country shows that North America accounts for about 39%, the largest share in the global medical devices market.

In the wake of the coronavirus pandemic, global medical device industry trends include medical technologies such as wearables, which are becoming commonplace. The need to diagnose, treat and monitor patients without human contact has risen to contain the spread of COVID-19, resulting in increased applications of medical technologies which will enable medical professionals to remotely treat their patients. Use of medical devices for the home-based diagnosis and treatment of medical conditions is increasing as well.

Technological developments in devices such as glucose monitors, insulin delivery devices, nebulizers and oxygen concentrators have enabled diagnosis and monitoring of many diseases at home. Remote control technology is also allowing healthcare professionals to support home-based treatments which is leading to increased preference for home and self-care treatment. Such medical technologies help people remain quarantined and thus not expose themselves to the virus.

(Source: <https://www.globenewswire.com/news-release/2020/09/16/2094355/0/en/Global-Medical-Device-Industry-Statistics-Show-Production-Of-Non-COVID-Equipment-Is-Severely-Impacted.html>)

### **Indian Medical Equipment Sector**

Medical devices industry in India has the potential to reach \$50 bn by 2025

Medical devices are segregated into six major segments:

- Consumables & Disposables include needles and syringes, etc
- Diagnostic Imaging includes MRI, X-Ray, Ultrasounds, etc
- Dental Products includes dentures, braces, etc
- Orthopaedics & Prosthetics include knee implants, artificial joints
- Patient Aids include hearing aids and pacemakers, etc

Around 65% of the manufacturers in India are mostly domestic players operating in the consumables segment and catering to local consumption with limited exports. Large Multinational Corporations lead the high technology end of the Medical Devices market with extensive service networks.

There are 750–800 domestic Medical Devices manufacturers in India, with an average investment of \$2.3–2.7 mn and an average turnover of \$6.2-6.9 mn.

The manufacturing is developing in its scale and geography: there are six Medical devices manufacturing “clusters” in the country (Refer to 'Data on Map' section below).

Clusters have “Medical Device Parks” developing around them: states have committed to set-up dedicated industrial parks where efficient domestic manufacturing at lower costs. In 2019, Andhra Pradesh, Telangana, Tamil Nadu, and Kerala have got in-principle approval from Government of India for new medical devices parks.

(Source: <https://www.investindia.gov.in/sector/medical-devices> )

The Covid19 pandemic has presented immense challenges for manufacturing supply chains across the world. However, the impact on some sectors has been particularly severe due to increased demand during the pandemic. Medical devices sector is one such sector which is facing difficulties in meeting the high demand in the current scenario due to supply chain disruptions. To cater to the immediate crisis and also to avoid such situations in the future several countries are concentrating on strengthening their indigenous medical devices sectors. Echoing this sentiment, the Indian government is also pushing for self-reliance in the medical devices sector.

The recent Medical Devices Amendment Rule 2020 is meant to make the sector more regularised. At the same time the Production Linked Incentive Scheme for Medical Devices, 2020 is meant to encourage more local production in medical devices. This is not the first time that the government has recognised the importance of the sector in India’s manufacturing industry: it was designated as a sunrise sector in 2014. However, the sector has not been able to gear up as expected. Despite local production it has high import dependency, especially on high-value-added devices. At the same time, India is also not among the top 15 global exporters of medical devices. This is surprising given the fact that India has all the factors that may drive the growth of the sector, including a growing medical tourism industry.

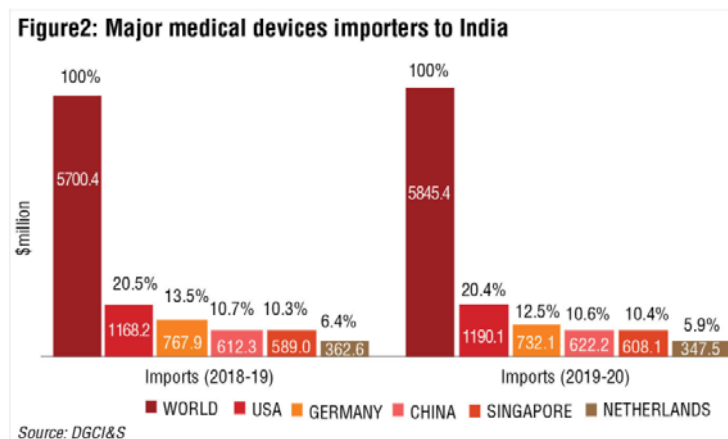
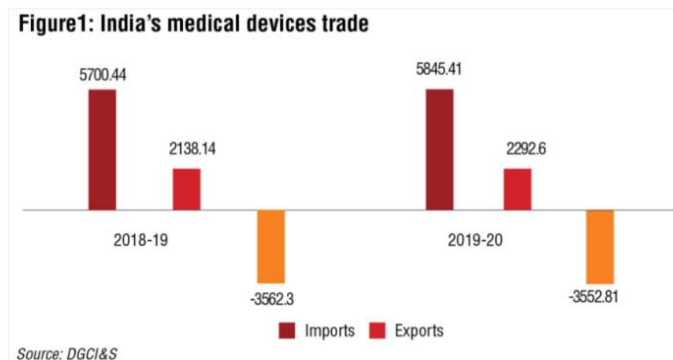


## Trade scenario

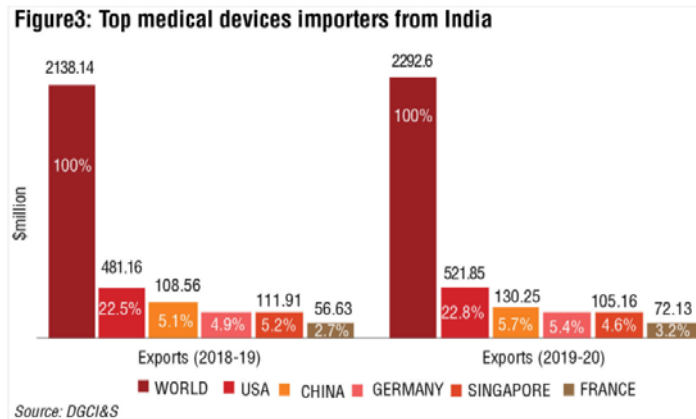
Figure1 depicts the total trade scenario in India's medical devices sector in the last two years. As is evident from the figure, imports of medical devices increased by 2.5 percent from \$5700.44 million in FY 2018-19 to \$5845.41 million in FY 2019-20 and exports increased by 7.2 percent from \$2138.14 million to \$2292.6 million in the same period. However, the sector remained import dependent as the trade deficit remained almost the same, amounting to a staggering \$3550 million for FY 2018-19 as well as FY 2019-20.

The high import dependency of India makes India's medical devices supply chain vulnerable to global crisis as in the present case. Figure2 depicts the top medical devices suppliers to India. The US is the top importer for India exporting \$1190 million worth of medical devices in FY 2019-20. It is followed by Germany exporting worth \$750 million worth. China, Singapore, and the Netherlands hold the third, fourth, and fifth position respectively. The imports from all these top five nations increased marginally from FY 2018-19 to FY 2019-20. The combined imports from all these five nations is approx. \$3500 million per year for the last two fiscals, accounting for almost 60 percent of the total imports of medical devices in India.

In terms of exports, the USA and China are the first- and second-largest importers of medical devices from India followed by Germany, Singapore, and France. The combined exports to all these five nations increased by 10.5 percent from \$862.25 million in FY 2018-19 to \$953.13 million in FY 2019-20. It accounts for approx. 40 percent of the total exports of medical devices from India in the last two fiscals.







(Source: <https://www.eepcindia.org/eepc-magazine/magazine-page.aspx?id=MAZ2508202009392032173&pid=37&page=spotlight> )

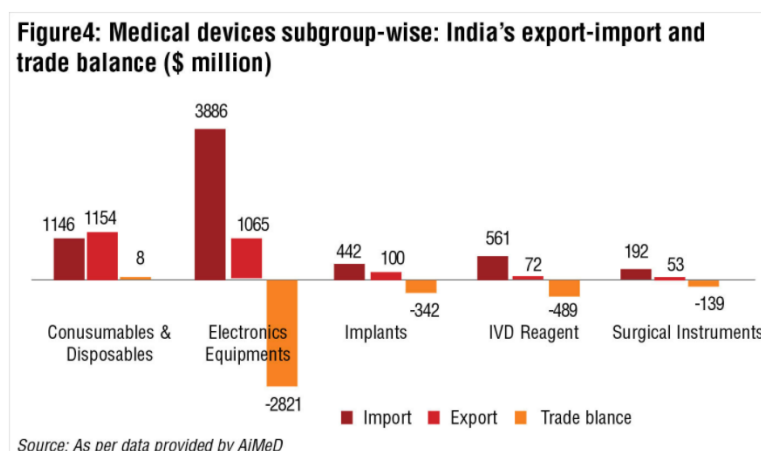
### Trade trends in medical devices subgroups

According to experts the high import dependency of India can be attributed to Indian medical devices manufacturers producing at the lower end of the value chain and technology. For this analysis we look at 147 tariff lines at 8 digits as they have been designated as medical devices by Association of Indian Medical Device Industry (AiMeD). To understand this trend we classify the 147 tariff lines into five subgroups and look at their export-import trends. The five subgroups are:

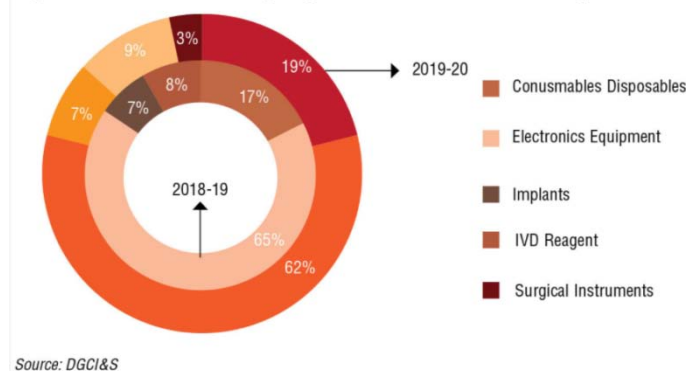
- Consumables and disposables
- Electronic equipment
- Implants
- IVD reagent
- Surgical instruments

The subgroups are as per AiMeD. Figure4 looks at the import export trends of each of the subgroups. As is evident, barring consumables and disposables where India has a very negligible positive trade balance, for all other subgroups India's trade balance is significantly negative. The trade deficit is particularly evident in the electronic equipment sector which is at the higher end of the value chain. At the same time consumables and disposables comprise several products that are at the lower end of the technology and value chain. In all other subgroups too, lower value of India's exports signify that India majorly exports low-value-added products which do not fetch high export currency.

This is further evident in Figure5 where the pie charts show the share of each of the subgroups in India's total medical devices imports and exports.



**Figure5: Share of each subgroup in total medical devices imports**



Source: DGCI&S

**Table1: India's rank in total global imports for major medical devices subgroups, 2019-20**

Subgroups	India's rank in total global imports, 2019-20
Radiography apparatus	6
Ophthalmological instruments and appliances	8
X-ray diagnostic imaging apparatus	8
Medical laboratory equipment	12
Weighing machines	12
Electronic diagnostic imaging device	14
Parts and accessories of medical device	9

Source: Global trade data from ITC Trade Map

(Source: <https://www.eepcindia.org/eepc-magazine/magazine-page.aspx?id=MAZ2508202009392032173&pid=37&page=spotlight>)

## Global Pharma Industry

The COVID-19 pandemic has highlighted the pharma industry's defensive nature, and while the boost to 1Q sales and profit from buying patterns and greater volume could reverse in 2Q, most companies reiterated 2020 guidance, suggesting the risks identified in our initial analysis are manageable. But we do see a tangible risk that the resurgence of infections in the U.S., the largest drug market, will dampen a return to normal for doctors visits and hospital procedures in 3Q, something which has been assumed by most companies. U.S. and European companies have beaten the S&P 500 by 8% since Feb 20.

### Large pharma defensive nature shone in 1Q but dark clouds ahead

The resilience of their drug businesses to the COVID-19 pandemic has been apparent among large-pharma companies. All companies beat sales and EPS estimates due to stockpiling and increased prescription volume for some drugs. Yet, they have all warned of a much softer 2Q, but maintained 2020 guidance ranges, except for Johnson & Johnson and Merck & Co.. The worst-affected business area were J&J's medical devices, given the collapse in elective surgeries, and Merck's animal health business. J&J's consumer health business, and that of Sanofi and Glaxo, benefited from "pantry filling."

### Near-term drag to China, one of pharma's key growth platform

At about 8% of worldwide sales, China is the second-largest drug market globally and key to large pharma gains. While we believe, on average, double-digit growth rates are sustainable over the midterm, the coronavirus pandemic poses a near-term headwind and may have affected all activity in the region in 1Q, though reopening will ease the pressure from 2Q. AstraZeneca has the highest drug sales in China, which accounts for about a fifth of its revenue, though we note disclosure among EU and U.S. pharma peers is limited. The company, along with Merck & Co., lead on China sales growth.

(Source: <https://www.bloomberg.com/professional/blog/global-large-pharma-2020-midyear-outlook/>)

## Indian Pharma Industry

India is a prominent and rapidly growing presence in global pharmaceuticals. It is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and also supplies 62% of global demand for vaccines. India ranks 3rd worldwide for production by volume and 14th by value. India is the only country with largest number of US-FDA compliant Pharma plants (more than 262 including APIs) outside of USA. India has more than 2000 WHO-GMP approved Pharma Plants, 253 European Directorate of Quality Medicines (EDQM) approved plants with modern state of the art Technology.

India is the source of 60,000 generic brands across 60 therapeutic categories and manufactures more than 500 different Active Pharmaceutical Ingredients (APIs). The API industry is ranked third largest in the world contributing 57% of APIs to prequalified list of the WHO.

The country is home to more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities. The domestic pharmaceuticals market turnover reached \$20.03 bn in 2019, up 9.3% from 2018, growing as penetration of health insurance and pharmacies rise.

(Source: <https://www.investindia.gov.in/sector/pharmaceuticals>)

### COMPOSITION OF INDIAN PHARMA MARKET

- With 70 % of market share (in terms of revenues), generic drugs form the largest segment of the Indian pharmaceutical sector. Over the Counter (OTC) medicines and patented drugs constitute 21 % and 9%, respectively.
- The share of generic drugs is expected to continue increasing; domestic generic drug market is expected to reach US\$ 27.9 billion in 2020.
- Due to their competence in generic drugs, growth in this market offers a great opportunity for Indian firms.
- Based on moving annual turnover, Anti-Infectives (13.6%), Cardiac (12.4%), Gastro Intestinals (11.5%) had the biggest market share in the Indian pharma market in 2018.
- The highest growth in sales in 2018 were seen in hormones (14.2%), antidiabetic (12.9%), and respiratory (12%).
- During December 2019, on moving annual total (MAT) basis, industry growth was at 9.8%, with price growth at 5.3%, new product growth at 2.7% while volume growth at two % y-o-y.

India is the largest provider of generic drugs globally. 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.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

### Market Size

Indian pharmaceutical sector is expected to grow to US\$ 100 billion, while medical device market is expected to grow US\$ 25 billion by 2025. Pharmaceuticals export from India stood at US\$ 20.70 billion in FY20. Pharmaceutical export includes bulk drugs, intermediates, drug formulations, biologicals, Ayush and herbal products and surgical.

India's biotechnology industry comprising biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics is expected to grow at an average growth rate of around 30% a y-o-y to reach US\$ 100 billion by 2025.

India's domestic pharmaceutical market turnover reached Rs 1.4 lakh crore (US\$ 20.03 billion) in 2019, up 9.8% y-o-y from Rs 129,015 crore (US\$ 18.12 billion) in 2018.

### ***Investments and Recent Developments***

The Union Cabinet has given its nod for the amendment of existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100% under the automatic route for manufacturing of medical devices subject to certain conditions.

The drugs and pharmaceuticals sector attracted cumulative FDI inflow worth US\$ 16.50 billion between April 2000 and March 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

### ***Government Initiatives***

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

- India plans to set up a nearly Rs 1 lakh crore (US\$ 1.3 billion) fund to provide boost to companies to manufacture pharmaceutical ingredients domestically by 2023.
- In November 2019, the Cabinet approved extension/renewal of extant Pharmaceuticals Purchase Policy (PPP) with the same terms and conditions while adding one additional product namely, Alcoholic Hand Disinfectant (AHD) to the existing list of 103 medicines till the final closure/strategic disinvestment of Pharma CPSUs.
- Under Budget 2020–21, Rs 65,012 crore (US\$ 9.30 billion) has been allocated to the Ministry of Health and Family Welfare is. The Government has allocated Rs 34,115 crore (US\$ 4.88 billion) towards the National Health Mission under which rural and urban people will get benefited.
- Rs 6,400 crore (US\$ 915.72 million) has been allocated to health insurance scheme Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).
- As per Economic Survey 2019–20, Government expenditure (as a percentage of GDP) increased to 1.6% in FY20 from 1.2% in FY15 on health.
- The National Health Protection Scheme is the largest Government funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to Rs 5 lakh (US\$ 7,723.2) per family per year for secondary and tertiary care hospitalisation. The programme was announced in Union Budget 2018–19.
- The Government of India is planning to set up an electronic platform to regulate online pharmacies under a new policy to stop any misuse due to easy availability.
- Government of India unveiled 'Pharma Vision 2020' to make India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investment.
- Government of India has offered Rs 6,940 crore (US\$ 942.8 million) production linked incentives between 5–20% for incremental sales and plans to set up three mega drug parks to drive sustainable cost competitiveness.

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

### **Medical education Services**

In order to cater to healthcare needs of a population of 1.2 billion, India would need an additional 7 lakh doctors by 2022. There exists tremendous scope for establishing new medical institutes for producing world class doctors, nurses and paramedics. Private players are encouraged to set up medical institutions and the clause to permit medical colleges as commercial venture is under consideration on India is known for its high quality medical standards and a large number of Indian doctors are practising in other countries. Medical tourism in the country is projected to grow to \$7-8 billion by 2020 from the existing \$3 billion.

(Source: <https://www.makeinindia.com/article/-/v/medical-education-the-make-in-india-way>)

### **Continuing medical education (CME)**

CME (Continuing Medical Education) scheme is a central sector scheme implemented in 11th Plan to give training to AYUSH personnel for upgrading their professional competence & skills and their capacity building. The Scheme is run by Ministry of AYUSH, Government of India.

(Source: <http://ravdelhi.nic.in/en/cme-scheme>)

Continuing medical education (CME) is a valuable mechanism to update physicians' knowledge with ever-increasing plethora of contemporary advances within medical fraternity. Over time, scope of CME has seen change from simple accredited CME programmes. The Medical Council of India, in 2011, made a mandatory resolution for doctors to attend minimum of 30 hours of CME/5 years to ensure recertification. Authorised accreditation councils and licensing authorities award CME credits for maintenance of physicians' licensures. To date, in India, only 9 of 26 State Medical

Councils have made re-registration mandatory. Although CME events benefit healthcare professionals by improving their proficiency and awareness, costs even to attend such interventions may be prohibitive. Despite financial help being received through grants and sponsorships, ethics of industry-sponsored CME remains a matter of debate. However, over past 10 years, pharmaceutical companies have started going beyond basic product information in order to focus on building physicians' knowledge in various therapeutic areas. Though CME credit system and criteria for relicensure for medical practice in India are evolving at a rapid pace, there is a need for harmonisation and robust implementation across all states in India.

(Source:

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5912189/#:~:text=In%20April%202011%2C%20the%20MCI,would%20be%20suspended%20%5B10%5D.> )

### **European Academy of Continuous Medical Education:**

The EACME's mission is to identify, develop, and promote good quality continuing medical education (CME) and continuous professional development (CPD) programs which can be used by healthcare professionals to develop new knowledge to improve quality medical care for patients and their communities.

EACME is proud to announce following services for the international market:

#### **1. International Speaker Program (ISP):**

EACME has pool of experts in the different specialities which can be made available for conferences and events around the world. EACME ISP is an assembly of scientists and research professionals in the field of medicine where the latest achievements and upcoming challenges are discussed. These events hold information about diseases, medical conditions, tests, symptoms, injuries, and surgeries and also contain information about the history of diseases, and the development of medical technology uses to detect diseases. All the programs will be accredited by Royal Colleges in the UK so the attendees will get certificate from the Royal Colleges along with credit hours.

#### **2. Web Lecture program:**

EACME has world class services for the web lecture in London and other cities in the UK. The lecturer and the attendees can be based in any part of the world. The attendees only require to have a computer or Laptop with internet connection to attend the lecture. Our web lecture system allows attendees to listen to the lecture on Ipad, iPhones, tablets or any other android phone. EACME web lectures will be accredited by Royal Colleges in the UK so the attendees will get certificate from the Royal Colleges along with credit hours.

#### **3. CME and CPD courses:**

- Courses can be created to target the needs of local doctors
- All accredited from either Royal College of General Practitioners, Royal College of Physicians, Royal College of Surgeons or Royal College of Paediatrics and Child Health and any other Royal Colleges in the UK
- All written and reviewed by Key Opinion Leaders in the UK and internationally
- Provides a platform for pharmaceutical companies to market their own products
- These modules are customized according to the requirements of the individual pharmaceutical company.

#### **4. International Masterclass Program:**

The IMP consist of services of courses which can either web based lecture, online or print courses or International speaker program. These courses are popular courses and have been rated 5 stars by the clinicians. EACME can develop IMP program for any speciality and can deliver any part of the world.

(Source: <https://www.eacme.co.uk/service1.php> )

### **Understanding Patient Behavior**

Patient behavior plays a crucial role in adherence and the success of the treatment. Healthcare Professionals (HCPs) who understand patient behavior and behavioral models and frameworks can design more successful patient support programs that are aware of the needs of their patients. Knowing the physical and psychological strains of a patient's illness and his/her behavioral response also allows HCPs to empathize and better communicate with them.

Pharmaceutical companies can also benefit from understanding patient behavior. It helps them design and structure treatments in ways that improve patient self-management and adherence and provide a better patient and caregiver experience. Pharmaceutical companies can also help patients improve their medication adherence and self-management, leading to better results and reduced burden on the healthcare system. This, in turn, will also improve payer and HCP's perception of the brand.

(**Source:** <https://www.iqvia.com/blogs/2019/10/understanding-patient-behavior-for-improved-experience-and-better-results> )

### **Why do medical practitioners need to develop evolving skill sets?**

Medical graduates today earn their degree with limited or no exposure to new technologies, so the skills they are learning have to be updated too. The curriculum is yet to catch up to the global standards of medicine and education. And not to forget the additional challenges posed by COVID-19. Without proper training, infrastructure, and guidelines for online learning, medical professors are struggling to enable students to develop critical knowledge and understanding of medical education.

So additional training has become imperative for those in the medical and healthcare services. Given the continuous advancements in technology and approach to healthcare delivery, the need for up-skilling among the medical fraternity has gained enough awareness and momentum today.

Today the process of treating a patient requires a holistic approach that involves technical expertise and especially good communication skills apart from just clinical expertise. Students in medical colleges should be encouraged with proper training to develop good communication skills. The traditional medical curriculum should be improvised with the inclusion of formal training in communication skills in the form of Continuous Medical Education (CME).

Upskilling and reskilling have become necessary to stay competitive in today's world given the changes brought by technologies and even societal shifts. Medical professionals are also expected to keep themselves abreast of the latest developments in clinical sciences and medical technologies. Moreover, in order to respond to a situation like COVID-19, healthcare professionals need to upgrade themselves with a specialised course like COVID-19 management to better serve the patients.

(**Source:** <https://www.expresshealthcare.in/blogs/guest-blogs-healthcare/reimagining-medical-education-in-india-at-the-time-of-the-covid-19-crisis/425310/>)



## OUR BUSINESS

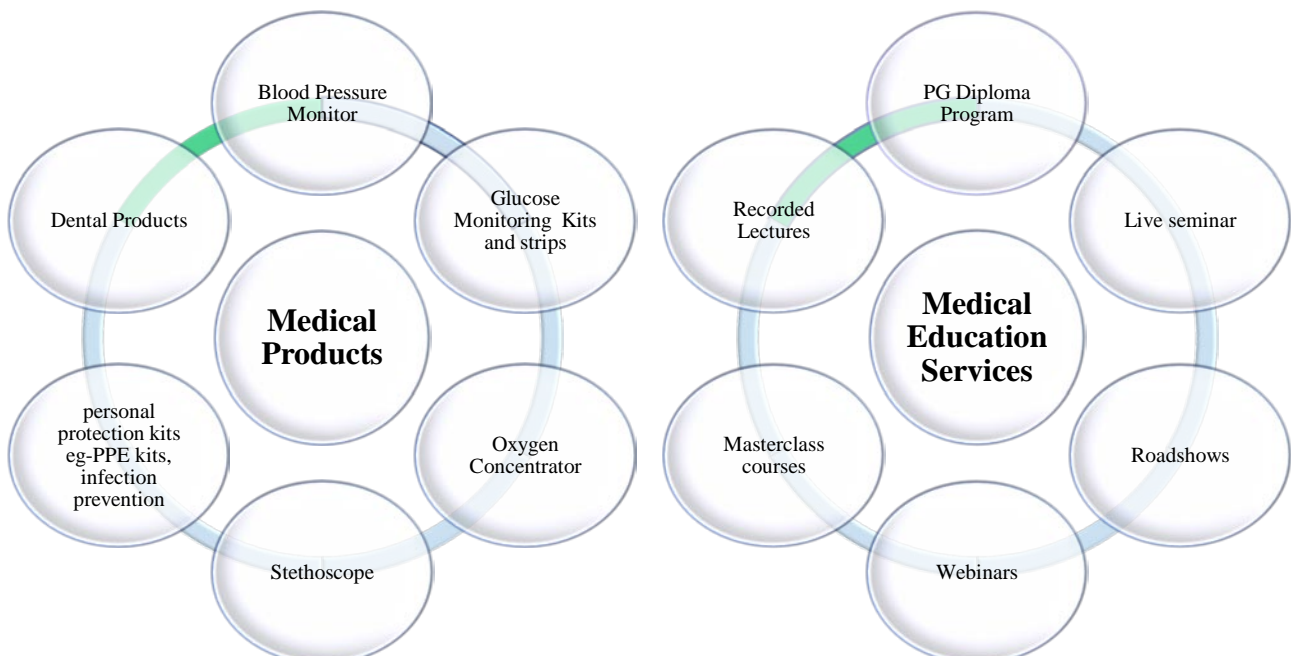
*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and the chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos. 20, 122 and 143 respectively, of this Draft Prospectus.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for six months period ending September 2020 and Financial Years 2020, 2019 and 2018 as included in this Draft Prospectus. For further information, see “Financial Statements” on page 122 of this Draft Prospectus.*

*In this section, reference to the “Company” or “Our Company” or “we”, “us”, “our” refers to QMS Medical Allied Services Limited as the context requires.*

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we also manage distribution for other brands such as 3M, Heine, Rossmax etc. Further, our company organizes and provides medical education to members belonging to medical fraternity by partnering with renowned medical education institutions such as EACME. These programs are balanced with a global perspective from credible authentic courses with global Colleges and universities. We aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives. We have recently launched our brand “Qdevices”, which is a vision of Atmanirbhar Bharat and working on Made in India concept with an intention to provide affordable and quality products in the market and strengthen our brand; so as to become a customer preferred medical device company.

With an aim to offer a comprehensive range of products, we have expanded our product portfolio, which has resulted in enhanced growth and profitability. Our growth is further driven by our ability to make available an assortment of quality products under trusted brands. Our company aims to impact lives of people through continuous skill development and hence provides various medical courses like PG Diploma in Cardiology, Masterclass in Diabetes & renal management, cardiology and cardiac rehabilitation etc. for continuous skill development.



Our Company is promoted by Mahesh Makhija who has industry experience of around 26 years and possesses business intellect in the marketing and trading circles of pharma industry as they have been engaged in such business through family proprietary concern since 2 decades. Hence, Mahesh Makhija and family have recently incorporated this company with a view to corporatize their business. For details about the promoter track record of this business and its proprietary concern please see “History and Certain Corporate Matters” on page no. 100 of this Draft Prospectus.



We market and help in distribution of the products across India through offline and online mode by means of our own website i.e. <https://qmsmas.com>. We believe that this distribution network ensures that our products are easily available in almost any part of India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our company has an ecommerce platform called Qmeds- <https://qmsmeds.com>, which provides online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store. Recently, our company has launched a new range of products under the name of Q Devices. Our idea is not only to sell a product, but our company believes in building values through our alliance with various healthcare product manufacturers for better customer satisfaction, quality, and commitment and to serve our customers the best in the space of healthcare. With our long standing operations and quality services, we have built a strong relationship with our customers. Some of our major clients include nationally and internationally known pharmaceutical companies like 3M, BPL, Choicemed, Rossmax, Heine, QDevice, Volk, Biosense to name a few.

Our revenue from operations was ₹ 7,273.96 lakhs, ₹ 5,189.48 lakhs and ₹ 8.37 lakhs for Fiscal 2020, 2019 and 2018, respectively and ₹ 5,871.38 lakhs for six months period ended September 30, 2020. Our revenue from operations has grown at a CAGR of 889.94 % during Fiscal 2018 to 2020.

Our EBITDA was ₹ 961.21 lakhs, ₹ 461.92 lakhs and ₹ 0.92 lakhs for Fiscal 2020, 2019 and 2018 respectively and ₹ 1,008.14 lakhs for the six months period ended September 30, 2020. Our restated profit after tax was ₹ 635.28 lakhs, ₹ 303.58 lakhs and ₹ 0.65 lakhs for Fiscal 2020, 2019 and 2018 respectively and ₹ 671.11 lakhs for six months period ended September 30, 2020. Our net profit after tax has grown at a CAGR of 889.94 % during Fiscal 2018 to 2020.

### **Business response to COVID-19**

Since the onset of the COVID-19 pandemic in March 2020, our Company has responded swiftly by implementing various processes to ensure our operations continue seamlessly. As we are engaged in marketing of medical equipments and devices, which helps the user to monitor their health from their home, our products such as oximeter, gluco meter, oxygen concentrator, nebulizer, BP monitor and medical consumables like personal protection kits, disinfection products were categorized under the essential goods' and our operations were not shut down during this pandemic. Further, these products also helped the user from visiting the hospitals during the lockdown. However, due to limited availability of logistics and supply chain constraints, we were impacted during the initial period of the lockdown. We continued our operation after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. Home healthcare helps reduce hospital visits, thereby reducing hospital induced infections. While the effort to reduce hospital acquired infections is a continual battle, the raging COVID-19 pandemic and fear of infection has pushed people towards virtual visits and home health products where hospitalization was not necessary e.g. digital blood pressure monitors, nebulizers, thermometers etc.

We have experienced sustained growth in our business in recent years, including currently during the ongoing outbreak of COVID-19. We consider that our swift response and proactive steps taken have mitigated the impact of COVID-19 pandemic on our business and personnel thus far. 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 "Risk Factors" on page 20 of this Draft Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" – Factors Affecting Results of Operations and Financial Condition – COVID-19 Pandemic on page 143 of this Draft Prospectus.

### **OUR STRENGTHS**

#### ***Experienced Promoter and management team with strong industry expertise and successful track record***

The Promoter of our Company, Mahesh Makhija has significant industry experience and has been instrumental in the consistent growth of our Company's performance. Mahesh Makhija has industry experience of around 26 years and possesses business intellect in the marketing and trading circles of pharma industry as they have been engaged in such business through family proprietary concern since 2 decades. Hence, Mahesh Makhija and family have recently incorporated this company with a view to corporatize their business. Further our Company is managed by a team of experienced personnel. The team comprises of personnel having technical, operational, marketing and business

development experience. We believe that our management team's experience and their understanding of the pharmaceutical business will enable us to continue to take advantage of both current and future market opportunities.

For further details regarding the experience and qualifications of our management team please see "*Our Management*" on page 104 of this Draft Prospectus. We believe that the knowledge and experience of our promoter and management will enable us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business. We believe that our ability to identify, adapt to and capitalise on market developments has enabled us to stay at the forefront of market trends and develop a strong track record of achieving profitability and growth.

#### ***Existing well established goodwill and client relationships***

We manage a wide range portfolio of products which are being sold under our registered brand name "QDevices" and we also manage distribution for other brands such as 3M, Heine, Rossmax etc. With our expanding business scope, we believe that our brand alongwith other brands, over these years has built a reputation by marketing and distributing wide range of medical products strong customer base and has established an unyielding marketing setup. We combine our expertise with an understanding of the healthcare market developed through market feedback and extensive interaction with various companies. We believe that we constantly try to address customer needs with a variety of products.

Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the "first choice vendor" for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives.

#### ***Asset light business model and competitive products***

Our business model for "QDevices" relies on our ability to design products that are of good quality, innovative and functional, through optimal sizing from a suitable manufacturer and we have long standing relationship with our vendors. This allows us to scale our operations quickly and the products are manufactured as per our specifications at a pre-determined cost and as per our quality standards without incurring any capital expenditure on manufacturing facilities.

We operate on an asset light business model which does not require us to invest heavily on physical assets such as plant and machinery, office equipments etc. and therefore we believe this business model allows us to be capital efficient. We believe our business model is scalable, such that we can expand our geographical reach and distribution capacity and add new products efficiently without disrupting our existing business. Further, this also helps us in better cash flow management and lower risk.

#### ***Quality assurance***

We believe that quality is an ongoing process of building and sustaining relationships. Our strength lies in understanding the requirements of the customer and our marketing and branding capabilities.

***For risks related to our business, our Company and our industry, please see "Risk Factors" on page 20 of this Draft Prospectus.***

### **OUR STRATEGIES**

#### ***Leveraging our Marketing skills and Relationships***

This is a continuous process in our organization and the skills that we impart in our people to give prime importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customer base by supplying orders in hand on time, maintaining and renewing our relationship with existing clients.

***Strengthening up our business through effective branding, promotional and digital activities for our customers***

Our Company caters to the Healthcare industry as solution provider for the branding and awareness initiatives. Our idea is not only to sell a product, but our company believes in building values through our alliance with various healthcare product manufacturers. With our long standing operations and quality services, we have built a strong relationship with our customers for increasing their brand awareness. Some of our major clients include nationally and internationally known pharmaceutical companies like 3M, BPL, Choicemmed, Rossmax, Heine, QDevice, Volk, Biosense to name a few. We aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives.

***Providing Continuing Medical Education (CME) Solutions to Pharma companies for skill enhancement and knowledge updation for healthcare professionals***

Continuing medical education (CME) is a valuable mechanism to update physicians’ knowledge with ever-increasing plethora of contemporary advances within medical fraternity. Our company organizes and provides medical education modules to pharma companies for providing continuing education to physicians, nurses, nurse practitioners, physician assistants, pharmacists, and other healthcare professionals by partnering with renowned medical education institutions such as EACME. These programs are balanced with a global perspective from credible authentic courses with global Colleges and universities. All above programs are accredited by the bodies associated with EACME like Royal Colleges in the UK. Our Company organises webinars, road shows, live seminars, global conferences etc. We also offer recorded lectures and online and print courses as provided by EACME.

***Retain and attract the best talent and develop a performance focused culture***

Our employees are critical to our business. We believe that the key to our success will be our ability to continue to maintain and grow a team of talented and experienced professionals. We intend to continue placing special emphasis on attracting, training and retaining our employees.

**DETAILS OF OUR BUSINESS**

**LOCATION**

Type of Facility	Locations
Registered Office	A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055
Warehouse	Bldg No- P-12B, 13, 14, 15, Shree Rajlaxmi Commercial Complex, Agra Road, Bhiwandi, Thane

**Our Products and Services**

Our Company is engaged in the marketing and distribution of medical devices, accessories and other staples which are used for branding exercises and medical awareness initiatives by large pharmaceutical companies. Our purpose is to enable our customers with creative innovative ideas, solutions and to evolve and establish their brands. We build values through our alliance with top healthcare product manufactures to achieve superior customer satisfaction, quality and commitment to serve our customers.

We have recently launched our brand “Qdevices”, which is a vision of Atmanirbhar Bharat and working on Made in India concept with an intention to provide affordable and quality products in the market and strengthen our brand, the manufacturing of which is outsourced by us to third parties. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we also manage distribution for other brands such as 3M, Heine, Rossmax etc.

Our Company’s present product portfolio consists of various medical devices and equipments, a few of them are mentioned below:

**Medical Devices**

- Blood Pressure Monitor
- Diagnostic machines

- ECG
- Fetal Doppler
- Glucose Monitoring Kit and Glucose Monitoring Strips
- Test Kits
- Thermometer
- Nebulizer
- Ophthalmoscope
- Oscope
- Oxygen Concentrator
- Pulse Oximeter
- Staplers
- Stethoscope

### Medical Consumables

- Disinfection
- Filters
- Infection prevention tools
- Personal protection like PPE kits

### Miscellaneous products

- Compression bandages
- Wound management dressing kits
- Dental products





### Continuing Medical Education Service (CME)

Our Company offers a range of evidence-based, scientific content medical programs under Educamedics (online portal for CME services), which is used in updating knowledge, clinical updates, and practices. Continuing medical education (CME) is a valuable mechanism to update physicians' knowledge with ever-increasing plethora of contemporary advances within medical fraternity. Our company aims to impact lives of people through continuous skill development and thus helping the pharmaceutical companies in their medical awareness initiatives. Our company organizes and provides medical education modules to pharma companies for providing continuing education to physicians, nurses, nurse practitioners, physician assistants, pharmacists, and other healthcare professionals.

Various medical courses are available like PG Diploma in Cardiology, Masterclass in Diabetes & renal management, cardiology and cardiac rehabilitation etc. for continuous skill development. These CME programs are imported from European Academy of CME (EACME) and such courses are developed by a leading consultant in the United Kingdom or international. All above programs are accredited by the bodies associated with EACME like Royal Colleges in the UK. Our Company organises webinars, road shows, live seminars, global conferences etc. Our Company organises webinars, road shows, live seminars, global conferences etc. We also offer recorded lectures and online and print courses as provided by EACME.





## Our Distribution Network

### *Online and Offline Channels*

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We market and sell the products across India through our own website i.e. <https://qmsmas.com> and other online and offline channels. Our Company is a one-stop online medical store and medical devices supplier. Medical equipment dealers, distributors, surgeons, and clinicians can purchase medical equipment accessories, medical devices and medical equipment from our online surgical supply store.

## Branding, Sales, Marketing and Advertising

Our Company caters to the Healthcare industry as solution provider for the branding and awareness initiatives. Our Company also offers digital marketing services to extend brand presence beyond regular calls. Our company helps brands in their medical awareness initiatives and improves their outreach. We have a defined set of guidelines which governs the branding, marketing and advertising initiatives of our product portfolio to ensure that these activities are in line with brand guidelines and identities. We employ an internal team of professionals that advertises and promotes the brand through visual merchandising, brand-awareness campaigns, social media and consumer relationship management.

In addition to traditional print media, digital and online; public relations is becoming an area of increased focus and spending. Our team through their experience and good rapport with clients owing to timely and quality delivery of products plays an instrumental role in creating new sales orders and expanding the current volume of our business year on year. In order to maintain good relation with customers, our promoters and our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. Our prime consideration for customer selection is timely payments and consistency in purchases.

We distribute the products to our customers as per the published price lists and terms of sale (including prices, payment terms, shipping charges, Goods Return Policy, Credit Policy) in effect at the time of sale, as mentioned by the suppliers. We use the Trademark and corporate logo of the brands associated with us for the products sold by us without tampering with any markings, labels or other indication of the source of origin of the products, as agreed with our suppliers. Our company has an ecommerce platform called Qmeds- <https://qmsmeds.com>, which provides online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store.

We have recently launched our brand “Qdevices”, which is a vision of Atmanirbhar Bharat and working on Made in India concept with an intention to provide affordable and quality products in the market and strengthen our brand alongwith other brands. We aim to become the “first choice vendor” for all large and small pharmaceutical and medical

companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives.; so as to become a customer preferred medical device company.

### Inventory management, Warehousing and Logistics

We regard efficient inventory management as critical to the success of our business. Our inventory management processes include product allocation and store planning based on an assessment of sales potential and requirements. We have strict inventory management and monitoring practices, in order to manage an appropriate level of inventory for each of our products, to ensure efficiency. We plan our inventory procurement by forecasting demand analysis based on our targeted sales and inventory turnover. We generally endeavour to maintain inventory levels in lines with customer demand. We also endeavour to ensure that product requirements and order fulfilment is carried out in a timely and efficient manner. Our inventory management processes are supported by our leasehold warehouses. We continuously look for opportunities to optimize our supply chain network as well as warehouse processes to optimize our efficiency and productivity. We rely on third party logistics providers, with whom we have verbal arrangements, to transport the products.

### Quality Management

Our Company is committed to providing high-quality products to our customers and endeavour to maintain a quality system, which provides products and services in a timely manner and at competitive prices to the satisfaction of customers by meeting their specified and implied needs. We are committed to continually improve this quality system.

### Our Major Customers

The percentage of income derived from our top customers for the period ended September 30, 2020 and the Financial Year 2019-20 based on revenue from sale of products and services is as given below:

(₹ in lakhs)

Sr. No.	Particulars	For Period Ended Sept 30, 2020		For Year Ended March 31, 2020	
		Revenue (₹)	Percentage (%)	Revenue (₹)	Percentage (%)
1.	Income from Top 5 customers	3,796.77	64.67%	4,224.46	58.08%
2.	Income from Top 10 customers	4,997.87	85.12%	5,723.14	78.68%

Although our top 10 customers may vary from one reporting period to another depending on the requirements of a particular customer to customer. We believe that we have experienced a high degree of returning customers over the years, which reflects the value proposition provided by us. We constantly try to address the needs of our customers for maintaining a long term working relation with the customers, in order to get continuous business.

### Human Resource

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We believe our employees are one of our most important assets and critical to maintaining our competitive position in our key geographical markets and in our industry. Our ability to maintain the growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on September 30, 2020, we had 16 full time employees other than Executive Directors.

The detailed break-up of our employees is summarized as under:

Sr. No.	Category	Number of Employees
1.	Executive Director	2
2.	Key Managerial Personnel (KMP)	2
3.	Other Employees	14
<b>Total</b>		<b>18</b>



## Intellectual Property

Sr. No.	Particulars of the Mark	Applicant	TM Registration Certificate No.	Date of Issue	Issuing Authority	Class	Status
1.		Mahesh Makhija	3984077	May 3, 2019	Registrar of Trademarks	10	Registered

Vide letter dated May 10, 2019, Mahesh Makhija has accorded permission to the Company for making use of the said trademark. For further details, please see “Government and other Key Approvals” on page 160 of this Draft Prospectus and for the information in relation to the risk relating to our intellectual property; please refer to the chapter titled “Risk Factors” on page 20 of this Draft Prospectus.

## Competition

We compete with local and global companies operating in India. The market being extremely, we face competition from various domestic and international manufacturers and traders and other players, most of them with generic products, showcasing no significant competitive advantage in terms of innovation or differentiation. Competition emerges from small as well as big players in the pharmaceutical industry. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. We believe the principal elements of competition in pharmaceutical business are consistent and quality products, their prompt availability and strong relations with formulators and pharmaceutical manufacturers. We compete against our competitors by establishing ourselves as a knowledge-based company and we focus on providing products and services that would be in consonance with technical and quality requirements of our customer as well as we try to offer a competitive pricing model without compromise on the quality.

In the future, we may also face competition from new entrants in the segment. Some of these players may already have robust distribution networks, which could eat into our market share. Some of our competitors are larger than we are, have greater financial resources than we do, and may be able to deliver products on more attractive terms or to invest larger amounts of capital into their businesses, including expenditure for better and more efficient production capabilities.

## Properties

Our registered office is located at A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055. Office No. A2 and B2 are owned by our Company.

Office No. A1 and B1 are owned by Mahesh Makhija and Guddi Makhija- Our Promoter and Promoter Group and our company pays License fee of ₹ 2.50 lakhs p.m. alongwith Security Deposit of ₹ 15 lakhs.

## Rented Property

(₹ in lakhs)

Sr. No.	Name of the Licensor	Name of the Licensee	Details of the Property	Amount of License Fee & Security Deposit	Purpose
1.	Jayendra Govindji Gada	QMS Medical Allied Services Pvt Ltd	Bldg No P-13,14,15, Shree Rajlaxmi Commercial Complex, Bhiwandi	<b>License Fee:</b> ₹ 0.76 lakhs p.m & incremental licensee fee thereafter. <b>Deposit:</b> ₹ 3.03 lakhs	Warehouse
2.	Heena Manish Shah	QMS Medical Allied Services Pvt Ltd	Godown Bldg No 9-12/B, Shree Rajlaxmi Commercial Complex, Bhiwandi	<b>License Fee:</b> ₹ 0.13 lakhs p.m & incremental licensee fee thereafter. <b>Deposit:</b> ₹ 0.50 lakhs	Warehouse

## **Insurance**

Our operations are subject to hazards inherent in storing and transporting our products such as work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause loss of life and severe damage to and the destruction of property and inventory. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices.

## KEY REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 83 of this Draft Prospectus, our Company 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 respective 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, kindly refer to the chapter titled “Government and Other Key Approvals” beginning on page 160 of this Draft Prospectus.*

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We manage the sale of a wide range portfolio of products along-with managing distribution for certain other brands. Our Company also provides medical education by partnering with renowned medical institutions. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We 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 us:

### A. INDUSTRY RELATED LAWS

#### **The Drugs and Cosmetics Act, 1940**

The Drugs and Cosmetics Act, 1940 (“DCA”) regulates the import, manufacture, distribution and sale of drugs and cosmetics in India as well as aspects relating to labeling, packing and testing. The DCA also provides the procedure for testing and licensing of new drugs. The DCA also prohibits the import of certain categories of drugs and cosmetics. It further mandates that every person holding a license must keep and maintain such records, registers and other documents as may be prescribed which may be subject to inspection by the relevant authorities. Under the DCA, the Government may, by notification in the official gazette, regulate or prohibit the manufacture, sale or distribution of a drug, if it is satisfied that in the public interest, it is necessary or expedient to do so or that the use of such drug is likely to involve any risk to human beings or animals or that it does not have the therapeutic value claimed or purported to be claimed for it or contains ingredients and in such quantity for which there is no therapeutic justification. Penalties in terms of fine and imprisonment are prescribed under the DCA for contravention of its provisions.

The DCA prohibits inter-alia the manufacture and sale of:

- (i) drugs and cosmetics which are not of standard quality or are misbranded, adulterated or spurious
- (ii) any patent or proprietary medicine, unless the true formula or list of active ingredients is displayed in the prescribed manner on the label, together with the quantities thereof
- (iii) any drug which by means of any statement, design or device accompanying it or by any other means, purports or claims to prevent, cure or mitigate any such disease or ailment, or to have any such other effect as may be prescribed
- (iv) any cosmetic containing any ingredient which may render it unsafe or harmful for use under the directions indicated or recommended.

It further prohibits inter-alia the exhibition, offer for sale, distribution or sale of any drug or cosmetic which has been imported or manufactured in contravention of any of the provisions of DCA or any rule made there under.

#### **The Drugs and Cosmetics Rules, 1945**

The Drugs and Cosmetics Rules, 1945 (“the Rules”) are applicable to the Company. The Rules have been enacted to regulate the, manufacture, distribution and sale of drugs and cosmetics in India. The Rules prescribe the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licence and specify the prescribed the procedure for submission of report to the Central Drugs Laboratory, of samples of drugs for analysis or test. Such licences can be cancelled or suspended in case any of the Rules are not adhered to or any of the conditions subject to which the licence is issued is not complied with.

## **B. REGULATIONS GOVERNING LABOUR LAWS**

### **The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 are applicable to the Company. The provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work. Whoever, contravenes the provisions Act or the rules made there under shall be punished with fine which may extend to Rs. 1,00,000/- and in the case of a continuing contravention, with an additional fine which may extend to Rs. 2000/- per for every day during which such contravention continues. The total fine shall not exceed Rs. 2000/- per workers employed.

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

### **Maternity Benefit Act, 1961**

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **Payment of Bonus Act, 1965**

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment up to 6 (six) months or a fine up to Rs.1,000/- (Rupees One Thousand only) or both.

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs.50,000/-.

### **The Payment of Wages Act, 1936**

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MW Act”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv) of the CLPR Act.

### **Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of ‘five-year continuous service’ is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days’ wages for every completed year of service with the employer. The employer shall arrange to pay the amount of gratuity within thirty days from the date it becomes payable to the person to whom the gratuity is payable. An employer who contravenes, or defaults in complying with, any of the provisions of this Act or made there under shall be punished with imprisonment for a minimum term of 3 months but which may extend to one year, or with fine being minimum ₹ 10,000/- but which may extend to ₹ 20,000/-, or with both.

### **The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951**

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 (“MSMED Act”) inter-alia seeks to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 as: (i) a micro enterprise, where the investment in plant and machinery does not exceed Rs.25,00,000/- (Rupees Twenty Five Lakhs Only); (ii) a small enterprise, where the investment in plant and machinery is more than Rs.25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed Rs.5,00,00,000/- (Rupees Five Crores Only); or (iii) a medium enterprise, where the investment in plant and machinery is more than Rs.5,00,00,000/- (Rupees Five Crores Only) but does not exceed Rs.10,00,00,000/- (Rupees Ten Crores Only). In case of enterprises engaged in providing or rendering of services, the enterprise may be classified as: (i) a micro enterprise, where the investment in equipment does not exceed Rs.10,00,000/- (Rupees Ten Lakhs Only); (ii) a small enterprise, where the investment in equipment is more than Rs.10,00,000/- (Rupees Ten Lakhs Only) but does not exceed Rs.2,00,00,000/- (Rupees Two Crores Only); or (iii) a medium enterprise, where the investment in equipment is more than Rs.2,00,00,000/- (Rupees Two Crores Only) but does not exceed Rs.5,00,00,000/- (Rupees Five Crores Only). The MSMED Act also inter-alia stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified herein above, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

## C. TAX RELATED LAWS

### **Income-tax Act, 1961**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrollment from the assessing authority.

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 is applicable to our Company.

### **Central Goods and Services Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services. Under GST, SGST is a tax levied on Intra State supplies of both goods and services by the State Government and will be governed by the SGST Act. CGST will also be levied on the same Intra State supply but will be governed by the Central Government.

The Maharashtra Goods and Services Tax Act, 2017 is applicable to the company.

### **Integrated Goods and Services Tax Act, 2017**

Integrated Goods and Services Tax Act, 2017 (“IGST Act”) is a Central Act enacted to levy tax on the supply of any goods and/or services in the course of inter-State trade or commerce. IGST is levied and collected by Centre on interstate supplies. The IGST Act sets out the rules for determination of the place of supply of goods. Where the supply involves movement of goods, the place of supply shall be the location of goods at the time at which the movement of goods terminates for delivery to the recipient. The IGST Act also provides for determination of place of supply of service where both supplier and recipient are located in India or where supplier or recipient is located outside India. The provisions relating to assessment, audit, valuation, time of supply, invoice, accounts, records, adjudication, appeal etc. given under the CGST Act are applicable to the IGST Act.

## D. OTHER LAWS

### **Competition Act, 2002**

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-



competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

### **The Companies Act, 2013**

The Companies Act, 2013 (“Companies Act”), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Companies Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **The Indian Stamp Act, 1899**

The Indian Stamp Act, 1899 prescribes the rates for the stamping of documents and instruments by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded. Under the Indian Stamp Act, 1899, an instrument not ‘duly stamped’ cannot be accepted as evidence by civil court, an arbitrator or any other authority authorized to receive evidence. However, the document can be accepted as evidence in criminal court.

### **The Maharashtra Stamp Act, 1958**

The Maharashtra Stamp Act, 1958 is expedient to consolidate and amend the law relating to stamps and rates of stamp duties in the State of Maharashtra and prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the Maharashtra Stamp Act, 1958.

### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.



### **The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Act is used for proper recording of transactions relating to other immovable property also. The Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Indian Contract Act, 1872**

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **The Specific Relief Act, 1963**

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks (“the Registrar”), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

### **Foreign Exchange Management Act, 1999**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“FEMA”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“DPIIT”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“FDI Policy”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian Companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

Our Company is engaged in the activity of wholesale trading, e-commerce activities and multi-brand retail trading. The FDI Policy issued by the DIPP permits foreign investment upto 100% of paid-up equity share capital of a company in the Cash and Carry Wholesale Trading/ Wholesale Trading (“WT”) sector under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy. Further, as per the FDI Policy, foreign direct investment in companies engaging in E-Commerce Activities is permitted up to 100% of the paid-up equity share capital of a company, under the automatic route subject to compliance with certain conditions as mentioned in the FDI Policy. Moreover, foreign investment upto 51% of the paid-up equity share capital of a company is permitted in the multi-brand retail trading sector under the government approval route, subject to compliance of certain conditions prescribed under the FDI Policy.

At present, the Company will not make any application to the Department for Promotion of Industry and Internal Trade for seek permission for inviting foreign investment in the Company and is not seeking foreign investment in the Company.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as QMS Allied Medical Private Services on September 14, 2017 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 299748. The status of the Company was changed to public limited and the name of our Company was changed to QMS Medical Allied Services Limited vide Special Resolution dated October 22, 2020. The fresh certificate of incorporation consequent to conversion was issued on November 06, 2020 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U33309MH2017PLC299748.

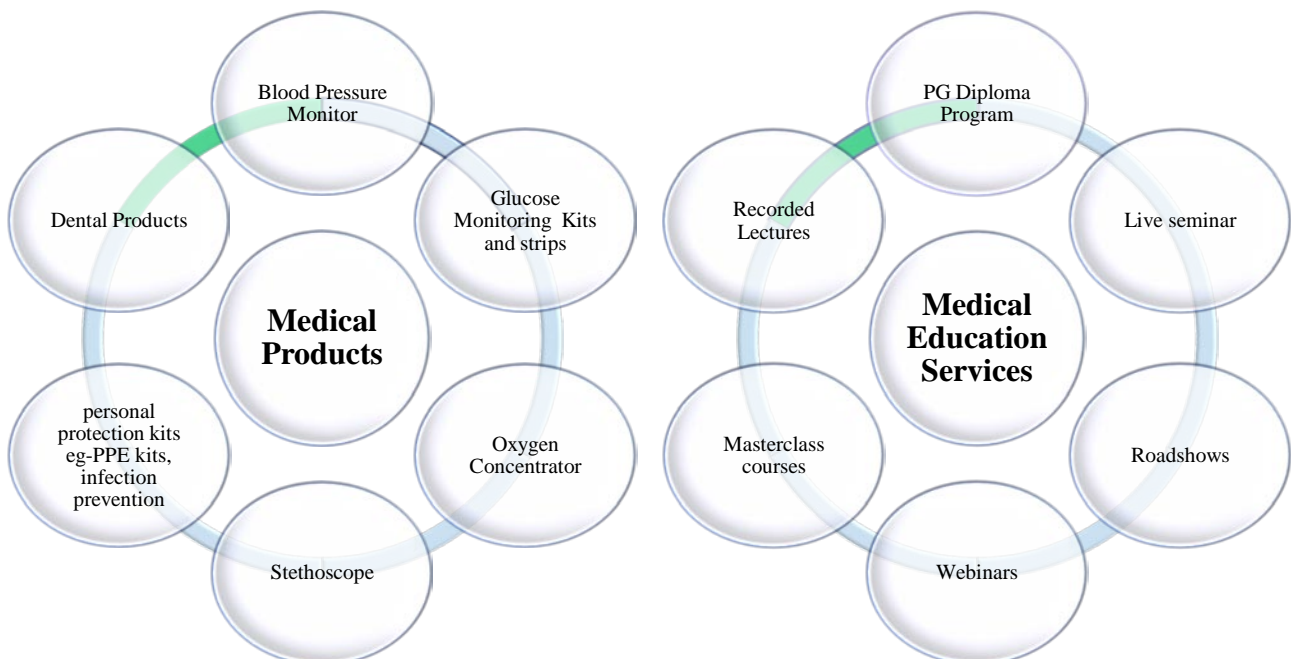
Our Company is managed by our Promoter Director Mahesh Makhija. For further details, see “*Our Promoter and Promoter Group*” and “*Our Management*” on page nos. 116 and 104 respectively of this Draft Prospectus.

Our Company has 7 shareholders as on the date of filing of this Draft Prospectus.

### OVERVIEW

Our Company is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We manage a wide range portfolio of products which are being sold under our registered brand name “QDevices” and we also manage distribution for other brands such as 3M, Heine, Rossmax etc. Further, our company organizes and provides medical education to members belonging to medical fraternity by partnering with renowned medical education institutions such as EACME. These programs are balanced with a global perspective from credible authentic courses with global Colleges and universities. We aim to become the “first choice vendor” for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives. We have recently launched our brand “Qdevices”, which is a vision of Atmanirbhar Bharat and working on Made in India concept with an intention to provide affordable and quality products in the market and strengthen our brand; so as to become a customer preferred medical device company.

With an aim to offer a comprehensive range of products, we have expanded our product portfolio, which has resulted in enhanced growth and profitability. Our growth is further driven by our ability to make available an assortment of quality products under trusted brands. Our company aims to impact lives of people through continuous skill development and hence provides various medical courses like PG Diploma in Cardiology, Masterclass in Diabetes & renal management, cardiology and cardiac rehabilitation etc. for continuous skill development.



Our Company is promoted by Mahesh Makhija who has industry experience of around 26 years and possesses business intellect in the marketing and trading circles of pharma industry as they have been engaged in such business through family proprietary concern since 2 decades. Hence, Mahesh Makhija and family have recently incorporated this

company with a view to corporatize their business. For details about the promoter track record of this business and its proprietary concern please see “History and Certain Corporate Matters” on page no. 100 of this Draft Prospectus.

We market and help in distribution of the products across India through offline and online mode by means of our own website i.e. <https://qmsmas.com>. We believe that this distribution network ensures that our products are easily available in almost any part of India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our company has an ecommerce platform called Qmeds- <https://qmsmeds.com>, which provides online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store. Recently, our company has launched a new range of products under the name of Q Devices. Our idea is not only to sell a product, but our company believes in building values through our alliance with various healthcare product manufacturers for better customer satisfaction, quality, and commitment and to serve our customers the best in the space of healthcare. With our long standing operations and quality services, we have built a strong relationship with our customers. Some of our major clients include nationally and internationally known pharmaceutical companies like 3M, BPL, Choicemmed, Rossmax, Heine, QDevice, Volk, Biosense to name a few.

#### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
2017-18	Incorporation of our Company.
2018-19	Crossed 50 crore turnover
2020-21	Changed the status of our Company from Private to Public i.e. to QMS Medical Allied Services Limited

#### MAIN OBJECTS OF OUR COMPANY

To carry on in India or elsewhere the business to assemble, design, develop, display, demonstrate, repair, market, recondition, remodel, import, export, buy, sell, resale, research, trade in a wide variety of all classes and kind of surgical goods, equipments, instruments and machinery including but not limited to ostinmure D.C.P. Plates, cortical screws, researchers plates, X-Ray machines, Ultra sound machines sonars, ECG machines, echo cardiographic machines, electro surgical instruments, digital B.P. instruments, medical apparatuses instruments, injections and all other tools required for medical and surgical operations in hospitals, dispensaries, medical centres and their parts, fittings, components and accessories thereof and for that purpose, to act as agents, brokers, stockists, suppliers, consultants, collaborators of branded clinics, transport agents, shippers, commission agents, representatives, distributors, contractors, export and import agents or otherwise and to carry in-house research or to establish, develop and maintain testing house, workshop and laboratory for own use by engaging in the research and development for development, investigation and invention, both scientific and technical and to promote studies and research by conducting workshop, seminars, lectures, meetings and conferences and by providing the remuneration of scientific or technical professors or teachers and generally to encourage promote and reward studies, researches, investigation, experiment, tests and invention of any kind that may be considered likely to assist the business of the Company.

#### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

Date of Change	Changed From	Change to	Reason for change
December 23, 2019	1A/1B, Vijaya Bhavan, Prabhat Colony, Rd-7, Reliance Sub Station, Santacruz (East) Mumbai – 400055.	A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.	Administrative Reasons

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST 10 YEARS

The following changes have been made to the Memorandum of Association of our Company:

Sr. No.	Date of Shareholder’s Resolution	Nature of Amendment
1.	November 20, 2019	Clause V of the Memorandum of Association was amended to reflect:

Sr. No.	Date of Shareholder's Resolution	Nature of Amendment
		The initial Authorized Share Capital shares ₹1,00,000 (One Lakh) divided into 10,000 (Ten Thousand) Equity Shares of ₹ 10 each was increased to ₹ 5,00,00,000 (Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of ₹ 10 each pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on November 20, 2019.
2.	October 22, 2020	The name of our company was changed from 'QMS Medical Allied Services Private Limited' to 'QMS Medical Allied Services Limited' consequent to which a certificate of Incorporation dated November 06, 2020 was issued by the Registrar of Companies, Mumbai.

#### **OUR HOLDING COMPANY**

As on the date of this Draft Prospectus, our Company does not have any Holding Company.

#### **OUR SUBSIDIARIES / JOINT VENTURE**

As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

#### **THE AMOUNT OF ACCUMULATED PROFIT / (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY**

There is no accumulated profit / (losses) not accounted for by our Company.

#### **FINANCIAL PARTNERS**

We do not have any financial partners as on the date of this Draft Prospectus.

#### **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Draft Prospectus.

#### **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

#### **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Draft Prospectus.

#### **COLLABORATION**

Our Company has not entered into any Collaboration as on the date of this Draft Prospectus.

#### **ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY INTO NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS, CAPACITY/ FACILITY CREATION OR LOCATION OF PLANTS**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, capacity/facility creation, and location of our manufacturing facilities, see "Our Business" on page 83 of this Draft Prospectus.

**TIME/COST OVERRUN IN SETTING UP PROJECTS**

As on date of this Draft Prospectus, there has been no time and cost overruns in the Company.

**LOCK-OUT AND STRIKES**

There have been no instances of strikes or lock-outs at any time in our Company.

**DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS**

As on date of this Draft Prospectus, our Company has not made any defaults / re-scheduling of its borrowings.

**INJUNCTION OR RESTRAINING ORDERS**

There are no injunctions/restraining orders that have been passed against the company.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, our Board consists of 5 (Five) Directors including one (1) as Chairperson & Managing Director, one (1) Whole – Time Director, one (1) as Non – Executive Director and two (2) are Non-Executive Independent Directors out of which Two (2) Directors are Woman Directors.

The details of the Directors are as mentioned in the below table:

Sr. No.	Name , Father's/Husband's Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
1.	<p><b>Mahesh Makhija</b> (Chairperson &amp; Managing Director)</p> <p><b>Date of Birth:</b> May 15, 1969</p> <p><b>Address:</b> 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055.</p> <p><b>Date of Appointment as Director:</b> September 14, 2017</p> <p><b>Date of Appointment as Managing Director:</b> November 25, 2020</p> <p><b>Term:</b> Appointed as Managing Director for a period of Five years i.e. till November 24, 2025 and liable to retire by rotation</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 02700606</p>	Indian	51 years	<ul style="list-style-type: none"> <li>• Queen's Promotional Services Private Limited</li> <li>• Mayukh Healthcare Services LLP</li> </ul>
2.	<p><b>Guddi Makhija</b> (Whole-time Director)</p> <p><b>Date of Birth:</b> October 16, 1971</p> <p><b>Address:</b> 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055.</p> <p><b>Date of Appointment as Director:</b> August 19, 2020</p> <p><b>Date of Appointment as Whole-time Director:</b> November 25, 2020</p> <p><b>Term:</b> Appointed as Whole-time Director for a period of Five years i.e. till November 24, 2025 and liable to retire by rotation.</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 08837871</p>	Indian	49 years	NIL

Sr. No.	Name , Father's/Husband's Name, Designation, Address, Date of Birth, Occupation, Term and DIN	Nationality	Age	Other Directorships
3.	<p><b>Diti Makhija</b> (Non-Executive Director)</p> <p><b>Date of Birth:</b> September 17,1998</p> <p><b>Address:</b> 1101, Magnolia, 8th Road, Near V N Desai Hospital, Golibar, Mumbai-400055.</p> <p><b>Date of Appointment as Director:</b> September 14, 2017</p> <p><b>Date of Appointment as Non-Executive Director:</b> November 25, 2020.</p> <p><b>Term:</b> Liable to retire by rotation.</p> <p><b>Occupation:</b> Student</p> <p><b>DIN:</b> 07916311</p>	Indian	22 years	NIL
4.	<p><b>Gautam Khanna</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> September 18, 1967</p> <p><b>Address:</b> A 1602 Bealimonde, Appa Saheb Marathe Marg, Near Tata Motors Showroom, Prabhadevi, VTC, Mumbai-400025</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> December 07, 2020</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till December 06, 2025 and is not liable to retire by rotation.</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 06965110</p>	Indian	53 years	<ul style="list-style-type: none"> <li>Hinduja Healthcare Limited</li> </ul>
5.	<p><b>Raju Bhatia</b> (Non-Executive Independent Director)</p> <p><b>Date of Birth:</b> April 12, 1961</p> <p><b>Address:</b> Sea Princess Apartments, 3<sup>rd</sup> Floor, Juhu Tara Road, Opp Little Italy, Mumbai – 400049.</p> <p><b>Date of Appointment as Non-Executive Independent Director:</b> December 26, 2020</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of Five years i.e. till December 25, 2025 and is not liable to retire by rotation</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 0009003123</p>	Indian	59 years	NIL

## BRIEF PROFILE OF OUR DIRECTORS

**Mahesh Makhija**, aged 51 years is the founding Promoter, Chairperson & Managing Director of Our Company. In the year 1990, he graduated in the field of science with specialization in Mathematics from Wilson College, Mumbai. He has around 26 years of rich experience in the field of Pharmaceutical Industry. He is also the promoter and Director of our Group Company Queen's Promotional Services Private Limited. He is currently responsible for formulating business strategies and oversight of day to day functioning of the Company.

**Guddi Makhija**, aged 49 years is the Whole-time Director of our Company. She has completed a Bachelors Degree of Homeopathic Medicine and Surgery by Bombay University in the year 1995 and received a certificate of practitioner by Maharashtra Council of Homoeopathy, Mumbai in the year 1995. She possesses a rich 26 years of experience in the field of Homeopathic Medicine. Apart from handling the day to day affairs of our company and in order to pursue her passion, she is associated with Insight Integrated Wellness as a facilitator and contributes by providing workshops on Stress Management and discovery of potential.

**Diti Makhija**, aged 22 years is the Non-Executive Director of Our Company. She has obtained a Bachelors' Degree in Health Science from Mumbai University in the year 2019. She is currently pursuing Bachelor of Homeopathic Medicine and Surgery from CMP Homeopathic Medical College. She has been associated for 3 years with the field of Health Science and Medicine. She is instrumental in making and maintaining cordial relations with various players in the medical field and also assists the Board in identifying new educational initiatives and programs.

**Gautam Khanna**, aged 53 years is the Non-Executive Independent Director of our Company. He has completed Bachelors of Technology in Mechanical Engineering from Kanpur in the year 1988 and has completed a Post Graduate Diploma Management from Calcutta in the year 1990. He was previously associated with RPG Enterprises Limited, 3M India Limited and has around 28 years of experience in the field of Business Management. He is currently CEO of P D Hinduja Hospital &MRC & Head of Healthcare, Hinduja Group, Head, P D Hinduja College of Nursing, Mumbai, Member, Governing Council, P D Hinduja Sindhi Hospital, Bangalore and Member, Managing Committee, Hinduja college of Commerce, Mumbai.

**Raju Bhatia** aged 59 years, is the Non-Executive Independent Director of the Company. He has completed his Bachelor's degree in Commerce as well as in the field of Law and Legislature from University of Bombay. He has also obtained a Master's degree in Commerce from University of Madras. He is a Change Management and an Organization Turnaround Specialist. He has written various articles for multiple business magazines and newspapers and has been associated with a lot of multinational companies imparting his knowledge and experience over the years. He is also an internationally acclaimed speaker, renowned author and has also been a director and producer of management themed films. He is also the founder of Fun and Joy at work. He has around over three decades of experience in the field of management and human resource development.

## CONFIRMATIONS

As on the date of this Draft Prospectus:

1. Except as stated below; none of the Directors of our Company are related to each other as per Section 2 (77) of the Companies Act, 2013.
  - Guddi Makhija is spouse of Mahesh Makhija.
  - Diti Makhija is the daughter of Guddi Makhija and Mahesh Makhija.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the Directors are categorized as a wilful defaulter, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
5. None of our Directors are or were directors of any Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.

## DETAILS OF BORROWING POWERS

Pursuant to a special resolution passed at an Annual General Meeting of our Company held on November 25, 2020 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 1 0,000 lakhs.

## REMUNERATION/COMPENSATION (INCLUDING OTHER BENEFITS) OF EXECUTIVE AND NON-EXECUTIVE DIRECTORS (EXCLUDING INDEPENDENT DIRECTORS)

The compensation package payable to the Executive Directors and Non – Executive Directors (Excluding Independent Directors) for F.Y 20-21 onwards as resolved in the Annual General meeting dated November 25, 2020 is stated hereunder:

Sr. No	Name	Designation	Maximum limit of Remuneration / Compensation (including other benefits)
1.	Mahesh Makhija	Chairperson & Managing Director	₹ 168.00 lakhs per annum
2.	Guddi Makhija	Whole-time Director	₹ 84.00 lakhs per annum
3.	Diti Makhija	Non-Executive Director	2% of the Turnover or ₹ 7,00,000 per annum whichever is lower

The remuneration / Compensation (including other benefits) paid to our Executive and Non Executive Director by our company / subsidiary Companies/ associate Companies, for F.Y. 2019-20 is as follows:

(₹ in lakhs)

Sr. No.	Name of Director	Remuneration / Compensation paid
1.	Mahesh Makhija	₹ 44.95 lakhs per annum
2.	Guddi Makhija	NIL
3.	Diti Makhija	₹ 6.00 lakhs per annum

## SITTING FEES PAYABLE TO NON – EXECUTIVE INDEPENDENT DIRECTOR.

Pursuant to the resolution dated December 25, 2020 passed by the Board of Directors of our Company, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹ 10 ,000 for attending every meeting of Board or its committee thereof.

## SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our Directors to hold any qualification shares. Further, the details of the shareholding of our Directors as on the date of this Draft Prospectus are as follows:

Sr. No.	Name of the shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1.	Mahesh Makhija <sup>(1)</sup>	36,87,210	98.00%	70.38%
2.	Guddi Makhija	37,625	1.00%	0.86%
3.	Diti Makhija	37,625	1.00%	0.86%

<sup>(1)</sup>Mahesh Makhija is also the promoter selling shareholder

## INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this Issue. 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 said Equity Shares.

***Interest in the property of Our Company***

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*”, beginning on page no. 83 of this Draft Prospectus, none of our Directors have interest in any property acquired or proposed to be acquired of our Company or by our Company.

***Interest in promotion of our Company***

Except, as stated in the chapter titled “*Our Promoter and Promoter Group*” beginning from page 116 none of our Directors are interested in the promotion of our company as on the date of this Draft Prospectus.

***Interest as Member of a Company or Firm***

Except as stated in this chapter titled “*Our Management*”, the section titled “*Financial Information- Annexure XXIV of Restated Financial Statements*” and the chapter “*Our Business*” on page nos. 104, 137 and 83 of this Draft Prospectus respectively, our Directors do not have any other interest in our business.

**CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS**

<b>Name of the Director</b>	<b>Date of Change</b>	<b>Reason for Change</b>
Guddi Makhija	August 19, 2020	Appointment as Non-Executive Director
Rani Makhija	September 1, 2020	Cessation
Mahesh Makhija	November 25, 2020	Re-designation as Chairperson & Managing Director
Guddi Makhija	November 25, 2020	Re-designation as Whole-time Director
Diti Makhija	November 25, 2020	Re-designation as Non-Executive Director
Gautam Khanna	December 07, 2020	Appointment as Non-Executive Independent Director
Raju Bhatia	December 26, 2020	Appointment as Non-Executive Independent Director

**CORPORATE GOVERNANCE**

In addition to the applicability of provisions of Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (LODR) Regulations, 2015 have also been complied with, to the extent applicable to our Company.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report. We have complied with the requirements of the applicable regulations, including Regulations, in respect of Corporate Governance including constitution of the Board and its Committees. The Corporate Governance framework is based on an effective Independent Board, the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Prospectus, our Company has five (5) Directors. Out of five (5) Directors, there is one (1) Chairperson & Managing Director (1) Whole-time Director (1) Non – Executive Director (2) Non - Executive Independent Directors.

The following committees have been constituted for compliance with Corporate Governance requirements:

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee;
- D. Corporate Social Responsibility

**A. AUDIT COMMITTEE**

Our Board has constituted the Audit Committee vide Board Resolution dated December 29, 2020 in accordance with the Section 177 of the Companies Act, 2013. The audit committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Gautam Khanna	Non - Executive Independent Director	Chairman
Raju Bhatia	Non - Executive Independent Director	Member
Mahesh Makhija	Chairperson & Managing Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

- Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is 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:
  1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  2. Changes, if any, in accounting policies and practices and reasons for the same.
  3. Major accounting entries involving estimates based on the exercise of judgment by management.
  4. Significant adjustments made in the financial statements arising out of audit findings.
  5. Compliance with listing and other legal requirements relating to financial statements.
  6. Disclosure of any related party transactions.
  7. 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 Issue document/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.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- Discussion with internal auditors any significant findings and follow up there on.



- 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.
- 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.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.
- 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.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise if it considers necessary.
5. 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 occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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 Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

## Meeting Of Audit Committee and Relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

## B. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution December 29, 2020 in accordance with Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Diti Mahesh Makhija	Non-Executive Director	Chairman
Gautam Khanna	Independent Director	Member
Raju Lachhmandas Bhatia	Independent Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment and listing of our shares in future.
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

## Meeting of Stakeholder's Relationship Committee and Relevant Quorum

The quorum necessary for a meeting of the Stakeholder's Relationship Committee shall be two members or one third of the members, whichever is greater.

## C. NOMINATION AND REMUNERATION COMMITTEE

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution December 29, 2020 in accordance with section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Gautam Khanna	Non – Executive Independent Director	Chairman
Raju Lachhmandas Bhatia	Non - Executive Independent Director	Member
Diti Mahesh Makhija	Non - Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;

- c. Devising a policy on Board diversity;
- d. 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 their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

#### **D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Our Board has constituted the Corporate Social Responsibility Committee vide Board Resolution December 29, 2020 in accordance with section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Gautam Khanna	Non - Executive Independent Director	Chairman
Mahesh Makhija	Chairperson & Managing Director	Member
Guddi Makhija	Whole time Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The terms of reference, powers and scope of the Corporate Social Responsibility Committee of our Company is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII as amended from time to time;
2. To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) subject to the limit provided under Section 135 of the Companies Act;
3. To monitor the corporate Social Responsibility Policy of our Company from time to time;
4. To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

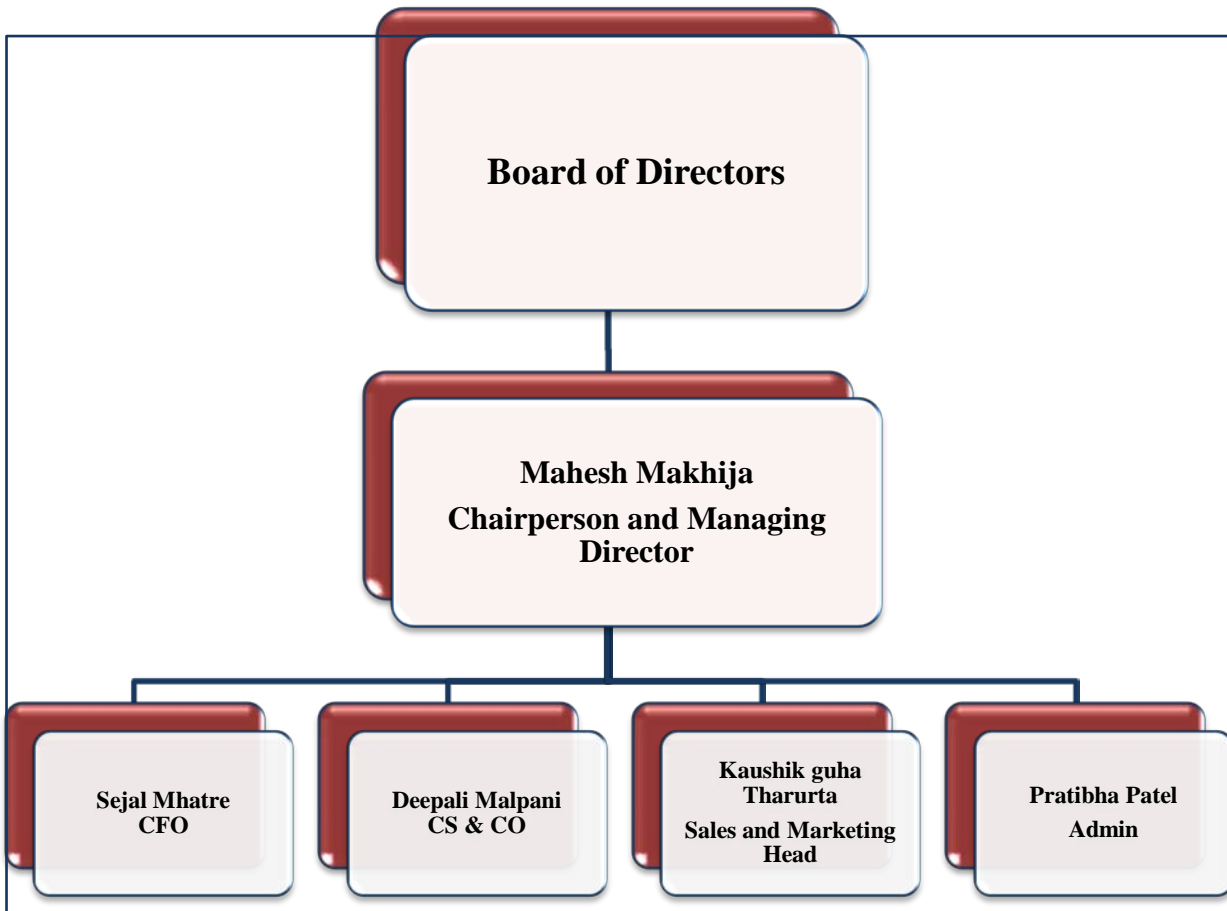
#### **Meeting of Corporate Social Responsibility Committee and Relevant Quorum**

The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

#### **POLICY ON DISCLOSURES & INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of our Equity Shares on stock exchange. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue. Our Board is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

**ORGANIZATIONAL STRUCTURE**



**Terms & Abbreviations**

- C.F.O. - Chief Financial Officer
- C.S & C.O. - Company Secretary and Compliance Officer

## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Name of Employee	Designation	Date of Appointment	Compensation for last Financial Year (₹ in Lakhs)	Qualification	Name of Previous Employee(s)	Total Years of Experience
Sejal Mhatre <sup>(1)</sup>	Chief Financial Officer	December 4, 2020	₹ 5.00 lakhs	• B.Com	• Ashish Life Science Pvt Limited • EDP Services	17 Years
Deepali Malpani	Company Secretary & Compliance Officer	December 25, 2020	Nil	• Company Secretary	• G R Shah and Associates	1.5 Years Internship Experience
Pratibha Patel <sup>(2)</sup>	Admin Head	April 1, 2018	₹ 5.27 lakhs	• B.Com	• M/s Hitendra Entreprises • M/s Wilson Greetings pvt.ltd • Queens Marketing Services	15 Years
Kaushik Guha Thakurta <sup>(4)</sup>	Sales & Marketing Head	November 1, 2020	Nil	• B.Sc • B.B.A • M.B.A	• Queens Marketing Services • Kubs Sales and Locks(P) Ltd • Tanita India(P) Ltd • 3M India Limited • GE Medical Systems • Gainwell Medimart Limited • Nestle India Limited • Wockhardt Limited • Lyka Labs Limited • Gainwell Medimart Limited	23 Years

<sup>(1)</sup> Sejal Mhatre is engaged with our company as Accounts Head since June 02, 2019 and is Re-designated as Chief Financial Officer with effect from December 04, 2020.

### Other Notes –

- Further, none of our KMPs is forming part of related parties as per the Accounting Standard 18. For details, please see the chapter titled “*Financial Information- Annexure XXIV of Restated Financial Statements*” on page no. 137 of this Draft Prospectus.

## RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL

None of the aforementioned KMPs are related to each other.

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

None of our KMPs holds any shares of our Company as on the date of this Draft Prospectus except Kaushik Guha Thakurta holds 10 Equity Shares. For further details please see chapter titled “*Capital Structure*” on page no. 50 of this Draft Prospectus.

## **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL**

Our Key Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

## **INTEREST OF KEY MANAGERIAL PERSONNEL**

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

## **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel was selected as a member of our senior management.

## **BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL**

There is no profit sharing plan for the Key Managerial Personnel. However, our Company makes performance linked bonus payments, in accordance with their terms of appointment.

## **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form part of their remuneration.

## **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Presently, we do not have ESOP/ESPS scheme for employees.

## **PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL**

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees.

## **CHANGES IN OUR KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT PROSPECTUS**

The changes in our Key Managerial Personnel during the three years immediately preceding the date of filing of this Draft Prospectus are set forth below.

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment / Change in Designation</b>	<b>Reason</b>
Deepali Malpani	Company Secretary & Compliance Officer	December 25, 2020	Appointment
Sejal Mhatre	Chief Financial Officer	December 4, 2020	Re-designation
Kaushik Guha Thakurta	Sales & Marketing Head	November 1, 2020	Re-designation
Sejal Mhatre	Accounts Head	June 2, 2019	Appointment
Pratibha Patel	Admin Head	April 1, 2018	Appointment




## OUR PROMOTER AND PROMOTER GROUP

### THE PROMOTER OF OUR COMPANY IS MAHESH MAKHIJA

As on the date of this Draft Prospectus, our Promoter hold 36,87,210 Equity Shares in aggregate, representing 98.00% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "*Capital Structure –Shareholding of our Promoters*" beginning on page no. 50 of this Draft Prospectus.

The details of our Promoter are provided below:

<b>Mahesh Makhija</b>	
	<b>Mahesh Makhija</b> , aged 51 years is the founding Promoter, Chairperson & Managing Director of Our Company. In the year 1990, he graduated in the field of science with specialization in Mathematics from Wilson College, Mumbai. He has around 26 years of rich experience in the field of Pharmaceutical Industry. He is also the promoter and Director of our Group Company Queen's Promotional Services Private Limited. He is currently responsible for formulating business strategies and oversight of day to day functioning of the Company.
	<b>Date of Birth:</b> May 15, 1969
	<b>Address:</b> 1101 Mognolia, 8 <sup>th</sup> Road, Near V N Desai Hospital, Golibar, Santacruz East, Mumbai - 400055 .
	<b>PAN:</b> AACPM0118M
	<b>Passport No.:</b> L7358088
	<b>Driver's License No.:</b> MH02 19950023229
	<b>Aadhaar Card No.:</b> 7382 4717 0142
	<b>Name of Bank:</b> Kotak Mahindra Bank Limited
	<b>Bank A/c No.:</b> 2711777547
	<b>Other Interests:</b> NIL

For the complete profile of Our Promoter educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page no. 104 of this Draft Prospectus.

### Other Undertakings and Confirmations

We confirm that the Permanent Account Number, Bank Account Number, Passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### Change in Control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Prospectus.

### Experience of our Promoter in the Business of our Company

For details in relation to experience of our Promoter in the business of our Company, please refer the chapter "*Our Management*" beginning on page no. 104 of this Draft Prospectus.

### **Interest of Promoter**

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Financial Information*” and “*Our Management*” beginning on page nos. 50, 122 and 104 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

### **Interest of Promoter in the Promotion of our Company**

Our Company is currently promoted by the promoter in order to carry on its present business. Our Promoter is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoter in the Property of our Company**

Our Promoter has confirmed that he does not have any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus except as mentioned under the section “*Our Business -Properties*” and “*Financial Information-Annexure XXIV of Restated Financial Statements*” on page nos. 83 and 137 respectively, of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” on page no. 83 of this Draft Prospectus our Promoter does not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

### **Related Party Transactions**

Except as stated in the “*Financial Information- Annexure XXIV of Restated Financial Statements*” on page no. 137 of this Draft Prospectus, our Company has not entered into related party transactions with our Promoters.

### **Common Pursuits of Promoters and Promoter Group Company**

There are no Common Pursuits between our Company and our Promoters. Further, as on the date of this Draft Prospectus, our Promoters have no interest in any venture that is involved in activities similar to those conducted by our Company.

Further, our Company will adopt necessary procedures and practices as permitted by law to address any conflicting situation as and when they arise.

### **Payment of Amounts or Benefits to the Promoter or Promoter Group During the last two years**

Except as stated in the Section titled “*Financial Information- Annexure XXIV of Restated Financial Statements*” on page no. 137 of this Draft Prospectus, there has been no payment of benefits to our Promoter or Promoter Group during the two years preceding the date of this Draft Prospectus.

### **Material Guarantees**

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page nos. 153 and 122 of this Draft Prospectus respectively, our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

## Our Promoter Group

Apart from our Promoter, as per Regulation 2(1)(pp) of the SEBI (ICDR) Regulation, 2018, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI (ICDR) Regulations, 2018, the following individuals form part of our Promoter Group:

Name of the Promoter	Name of Relative	Relationship with the Promoter
Mahesh Makhija	Palraj Makhija	Father
	Rani Makhija	Mother
	Guddi Makhija	Spouse
	Udit Makhija	Son
	Diti Makhija	Daughter
	Kiran Bhatija	Sister
	Late Shyam Bhatia	Spouse's Father
	Late Madhu Bhatia	Spouse's Mother
	Harish Bhatia	Spouse's Brother

### B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity/Company
1.	Queen's Promotional Services Private Limited
2.	Mayukh Healthcare Services LLP
3.	Queens Marketing Services
4.	Mayukh Foundation

### Shareholding of the Promoter Group in our Company

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled "*Capital Structure – Notes to Capital Structure*" beginning on page no. 50 of this Draft Prospectus.

### Companies with which the Promoter has disassociated in the last three years

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Draft Prospectus

### Outstanding Litigation

There is no outstanding litigation against our Promoter except as disclosed in the section titled "*Risk Factors*" and chapter titled "*Outstanding Litigation and Material Developments*" beginning on page nos. 20 and 155 of this Draft Prospectus.

## OUR GROUP COMPANY

The definition of 'Group Companies' as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated December 25, 2020, our Group Companies includes:

Those companies disclosed as related parties in accordance with Accounting Standard ("AS 18") issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last three financial years.

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

Accordingly, Queen's Promotional Services Private Limited (QPSPL) is identified as our Group Company.

The details of our Group Company are provided below:

### LOSS MAKING GROUP COMPANY:

#### QUEEN'S PROMOTIONAL SERVICES PRIVATE LIMITED (QPSPL)

##### *Corporate Information*

Queen's Promotional Services Private limited was incorporated on January 22, 2010 under the Companies Act, 1956 as a Private Limited Company, bearing Registration No. 199223. The CIN of QPSPL is U74990MH2010PTC199223. The Registered Office is situated at 1-A /1-B Vijaya Bhavan, Prabhat Colony Road No.7, Reliance Sub Station Santacruz East, Mumbai City, MH 400055.

##### *Nature of business*

The main objects of QPSPL include, *inter alia* To carry on business of Advertising, Marketing and Media and Entertainment related activities in general and in particular Advertising in all media, Marketing & Promotional Management and related activity in general and in particular advertising in all media, marketing management, and entertainment, marketing and media related activities and for that purpose to buy, sell, exchange, import, export and deal in promotional materials of every kind and to distribute the same to the target audience and market, to manage, organize, arrange, sponsor and promote any stage show, fashion show, and to do management of event of any type and all type including event of performing arts such as music, dance or sports, martial arts, cultural programmes, sports programmes, business events such as conferences, meets, seminars, conventions, study circles, competitive sports events, tournaments and to produce films, tele-films, tele-serials, soap opera, drama, and to carry on the business of cinematograph, film producers, exhibitors and distributors, theatrical performances and dramatic and other performances of all kinds

##### *Financial Information*

The financial results derived from the Audited Financial Statements for Fiscals 2020, 2019 and 2018 are set forth below:

(₹ in lakhs)

Particulars	As at March, 31		
	2020	2019	2018
Equity Capital	1.00	1.00	1.00
Reserves and Surplus	(35.95)	(35.71)	(20.23)
Net worth	(34.95)	(34.71)	(19.23)
Total Revenue (including other income)	-	-	-
Profit/ (Loss) after tax	(0.23)	(15.48)	(0.06)
Earnings per share (face value of ₹ 10 each)	(2.30)	(154.81)	(0.60)

Particulars	As at March, 31		
	2020	2019	2018
Net asset value per share (₹)	(349.45)	(347.15)	(192.35)

There are no significant notes by the auditors of QPSPL in relation to the above mentioned financial statements for the specified last three audited Fiscals.

### **Material Litigations**

There has been no material litigation arises in the group company, which may directly or indirectly affect our Company. For further details, please refer the chapter “*Outstanding Litigation and Material Developments*” on page no. 155 of this Draft Prospectus.

### **Group Companies which are sick industrial companies**

None of our Group Companies has become a sick company under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as amended.

### **Group Companies under winding up/insolvency proceedings**

None of our Group Companies are under winding up/insolvency proceedings.

### **Defunct Group Company**

During the five years immediately preceding the date of the Draft Prospectus, our Group Companies has not remained defunct and no application has been made to the relevant registrar of companies for striking off the name of our Group Company(ies).

### **COMMON PURSUITS**

Our Group Company does not have any common pursuits with our Company.

### **Related Party Transactions and Significance on the Financial Statements**

For details, please refer to the chapter titled “*Financial Information- Annexure XXIV of Restated Financial Statements*” beginning on page no. 137 of this Draft Prospectus.

### **Business Interests or Other Interests**

Except as disclosed in “*Financial Statements*” on page no. 122 of this Draft Prospectus, our Group Company has no business interest in our Company.

### **OTHER CONFIRMATIONS**

Our Group Company does not have any securities listed on any Stock Exchange. Further, our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus.

Further, neither have any of the securities of our Company or our Group Company been refused listing by any stock exchange in India or abroad, nor has our Company or our Group Company failed to meet the listing requirements of any stock exchange in India or abroad.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company in the last three Financial Years.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.



## SECTION VII- FINACIAL INFORMATION

### FINANCIAL STATEMENTS

To,

**The Board of Directors,**  
QMS Medical Allied Services Limited  
A1 A2/B1 B2, Navkala Bharti Bldg,  
Plot No16 Prabhat Colony  
Santacruz East, Mumbai 400055

Dear Sir/Ma'am,

1. We have examined the attached Restated Financial Statement along with the significant accounting policies and related notes of QMS Medical Allied Services Limited (the 'Company') as at and for the period ended on September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the Emerge Platform of the National Stock Exchange of India Limited ("NSE").
2. The said Restated Financial Statements and other Financial Information have been prepared in accordance with the requirements of:
  - i) Section 26 of Part I of Chapter III to the 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") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on Emerge Platform of the National Stock Exchange of India Limited ("NSE"); and
  - iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. We have examined the accompanied 'Restated Statement of Profit and Loss' (**Annexure – II**) for the six month period ended September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018 and the 'Restated Statement of Assets and Liabilities' (**Annexure-I**) as on those dates, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies and Notes to Accounts (**Annexure – IV & V**) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the six month period ended September 30, 2020 and the financial years ended on March 31, 2020, 2019 and 2018. The Financial Statements for the six months period ended on September 30, 2020 have been audited by us; M/s. P. V. Dalal & Co., Chartered Accountants and the Financial Statements for the year ended March 31, 2020 and have been re-audited by us. The Financial Statements for the year ended March 31, 2020 and March 31, 2019 was audited by Khushbu Parekh & Co., Chartered Accountant, being the then Statutory Auditor of the Company for the respective years, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting. The Financial Statements for the year ended March 31, 2018 was audited by V. J. Shah & Co, Chartered Accountant, being the then Statutory Auditor of the Company, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.
4. In terms of Schedule VI (Part A) (11) (II) (i) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of QMS Medical Allied Services Limited, we, M/s. P. V. Dalal & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

5. Based on our examination, we further report that:
- a. The “Restated Summary Statement of Assets and Liabilities” as set out in **Annexure I** to this report, of the Company as at September 30, 2020 and March 31, 2020, 2019 and 2018 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
  - b. The “Restated Summary Statement of Profit and Loss” as set out in **Annexure II** to this report, of the Company for the period ended on September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018 is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
  - c. The “Restated Summary Statement of Cash Flow” as set out in **Annexure III** to this report, of the Company for the period ended on September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV & V** to this Report.
  - d. The Restated Financial Statements have been made after incorporating adjustments for:
    - i. The changes, if any, in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting period /years.
    - ii. Prior period and other material amount in the respective financial years to which they relate.
    - iii. Extra-ordinary items that need to be disclosed separately in the accounts requiring adjustments.

Which are stated in the Notes to Accounts as set out in **Annexure V**:
  - e. There were no qualifications in the Audit Reports issued by Statutory Auditor(s) for the financial period ended on September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018 which would require adjustments in this Restated Financial Statements of the Company.
  6. At the request of the company, we have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure of Restated Financial Statements of the Company:-

- i. Statement of Share Capital, as restated (Annexure - VI)
- ii. Statement of Reserves & Surplus, as restated (Annexure - VII)
- iii. Statement of Deferred Tax Liabilities/(Assets), as restated (Annexure- VIII)
- iv. Statement of Short Term Borrowings, as restated (Annexure- IX)
- v. Statement of Trade Payables, as restated (Annexure- X)
- vi. Statement of Other Current Liabilities, as restated (Annexure- XI)
- vii. Statement of Short Term Provisions, as restated (Annexure- XII)
- viii. Statement of Property, Plants & Equipments, as restated (Annexure- XIII)
- ix. Statement of Long Term Loans and Advances, as restated (Annexure- XIV)
- x. Statement of Inventories, as restated (Annexure- XV)
- xi. Statement of Trade Receivables, as restated (Annexure - XVI)
- xii. Statement of Cash and Cash Equivalents, as restated (Annexure - XVII)
- xiii. Statement of Short Term Loans and advances, as restated (Annexure- XVIII)
- xiv. Statement of Other Current Assets, as restated (Annexure - XIX)
- xv. Statement of Revenue from Operations, as restated (Annexure – XX)
- xvi. Statement of Other Income, as restated (Annexure – XXI)
- xvii. Statement of Contingent Liabilities, as restated (Annexure XXII)
- xviii. Statement of Dividend Declared, as restated (Annexure XXIII)

- xix. Statement of Related Party Transactions, as restated (Annexure – XXIV)
- xx. Statement of Tax Shelter, as restated (Annexure XXV)

7. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXV read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years.

- 8. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by 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.
- 9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For M/s. P. V. Dalal & Co.,**  
**Chartered Accountants**  
(Firm Registration No. 102049W)

Paresh Dalal  
**Partner**  
Membership No: 033355  
Place: Mumbai  
Date: January 08, 2021  
UDIN: 21033355AAAAO3361

**Annexure I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>EQUITY AND LIABILITIES</b>				
<b>1.Shareholder's fund</b>				
a) Share Capital	301.00	301.00	1.00	1.00
b) Reserves and surplus	1,310.61	639.51	304.23	0.65
<b>Total Shareholder's Fund (1)</b>	<b>1,611.61</b>	<b>940.51</b>	<b>305.23</b>	<b>1.65</b>
<b>2. Non-Current liabilities</b>				
a) Deferred Tax Liabilities (Net)	2.58	-	-	-
<b>Total (2)</b>	<b>2.58</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3.Current liabilities</b>				
a) Short Term Borrowings	1,677.16	1,160.43	455.29	5.05
b) Trade Payables	1,460.31	1,119.43	873.70	500.58
c) Other Current liabilities	128.25	64.94	130.51	0.66
d) Short Term Provisions	228.26	62.70	23.88	0.52
<b>Total (3)</b>	<b>3,493.98</b>	<b>2,407.49</b>	<b>1,483.38</b>	<b>506.80</b>
<b>TOTAL (1+2+3)</b>	<b>5,108.18</b>	<b>3,348.00</b>	<b>1,788.61</b>	<b>508.46</b>
<b>ASSETS</b>				
<b>1.Non - Current Assets</b>				
a) Property, plant & equipment				
i.) Tangible assets	777.29	312.46	2.99	-
ii.) Intangible assets	9.36	11.52	8.85	-
b) Deferred Tax Assets (Net)	-	0.36	0.18	-
c) Long Term Loans and Advances	18.53	18.53	-	-
<b>Total (1)</b>	<b>805.18</b>	<b>342.88</b>	<b>12.02</b>	<b>-</b>
<b>2.Current Assets</b>				
a) Inventories	2,339.96	1,569.47	895.44	438.74
b) Trade Receivables	1,504.50	1,121.23	801.79	9.38
c) Cash and Bank Balances	31.67	65.53	13.79	2.59
d) Short Term Loans & Advances	5.91	22.47	0.09	-
e) Other current assets	420.96	226.42	65.47	57.75
<b>Total (2)</b>	<b>4,303.00</b>	<b>3,005.13</b>	<b>1,776.59</b>	<b>508.46</b>
<b>TOTAL (1+2)</b>	<b>5,108.18</b>	<b>3,348.00</b>	<b>1,788.61</b>	<b>508.46</b>

**Annexure II**  
**STATEMENT OF PROFIT AND LOSS, AS RESTATED**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>INCOME:</b>				
Revenue from operations	5,871.38	7,273.96	5,189.48	8.37
Other Income	-	3.85	1.35	-
<b>Total Income</b>	<b>5,871.38</b>	<b>7,277.80</b>	<b>5,190.83</b>	<b>8.37</b>
<b>EXPENSES:</b>				
Purchase of stock-in trade	5,339.72	6,243.12	4,741.38	445.76
Change in inventory	(770.49)	(674.02)	(456.70)	(438.74)
Employee benefit expenses	89.63	160.91	85.30	-
Finance costs	67.17	53.32	21.08	-
Depreciation & Amortization expense	39.92	35.80	3.38	-
Other Expenses	204.38	586.59	358.94	0.44
<b>Total expenses</b>	<b>4,970.33</b>	<b>6,405.71</b>	<b>4,753.38</b>	<b>7.45</b>
<b>Profit before Prior period item, exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Prior period items	-	-	-	-
<b>Profit before exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Exceptional items	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
Extraordinary items	-	-	-	-
<b>Net Profit /(Loss) before tax</b>	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
<b>Less: Tax expense</b>				
Current tax	227.00	237.00	134.05	0.27
Deferred tax (assets)/ liabilities	2.95	(0.19)	(0.18)	-
<b>Total tax expense</b>	<b>229.95</b>	<b>236.81</b>	<b>133.87</b>	<b>0.27</b>
<b>Net profit / ( loss ) after tax</b>	<b>671.11</b>	<b>635.28</b>	<b>303.58</b>	<b>0.65</b>

**Annexure III**  
**CASH FLOW STATEMENT, AS RESTATED**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>Cash Flow From Operating Activities</b>				
Net Profit before tax and after extra-ordinary items	901.05	872.09	437.45	0.92
<b>Adjustments for items:</b>				
Depreciation and amortisation expense	39.92	35.80	3.38	-
Interest Income				
Finance Cost	67.17	53.32	21.08	-
<b>Operating Profit Before Working Capital Adjustments</b>	<b>1,008.14</b>	<b>961.21</b>	<b>461.92</b>	<b>0.92</b>
<b>Adjustment for Changes in Working Capital</b>				
Trade and other payable	340.89	245.73	373.12	500.58
Short-term provisions	165.55	38.82	23.36	0.52
Other Current Liabilities	63.32	(65.57)	129.85	0.66
Trade and other Receivables	(383.27)	(319.44)	(792.42)	(9.38)
Short Term Loans & Advances	16.56	(22.38)	(0.09)	-
Long Term Loans and advances	-	(18.53)	-	-
Other Current Assets	(194.54)	(160.94)	(7.73)	(57.75)
Inventories	(770.49)	(674.02)	(456.70)	(438.74)
<b>Cash Flow Generated from Operations</b>	<b>246.16</b>	<b>(15.13)</b>	<b>(268.68)</b>	<b>(3.19)</b>
Taxes Paid	227.00	237.00	134.05	0.27
<b>Net Cash flow from Operating activities (A)</b>	<b>19.16</b>	<b>(252.13)</b>	<b>(402.74)</b>	<b>(3.46)</b>
<b>Cash Flow From Investing Activities</b>				
(Purchase)/ Sale of Property, plant & equipment	(502.59)	(347.94)	(15.23)	-
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(502.59)</b>	<b>(347.94)</b>	<b>(15.23)</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>				
Issue of shares	-	-	-	1.00
Proceeds from/ (Repayment of ) Borrowing	516.73	705.14	450.24	5.05
Finance cost	(67.17)	(53.32)	(21.08)	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>449.57</b>	<b>651.81</b>	<b>429.16</b>	<b>6.05</b>
<b>Net Cash Flow during the year ( A + B + C )</b>	<b>(33.86)</b>	<b>51.75</b>	<b>11.19</b>	<b>2.59</b>
Cash & Cash equivalent at the beginning of the year	65.53	13.79	2.59	-
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>31.67</b>	<b>65.53</b>	<b>13.79</b>	<b>2.59</b>

Cash & Cash Equivalents comprises of:

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
Cash in hand	17.92	18.12	5.64	-
Balance with Banks	13.75	47.41	8.14	2.59
<b>Total</b>	<b>31.67</b>	<b>65.53</b>	<b>13.79</b>	<b>2.59</b>



## ANNEXURE IV

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### I. Corporate Information

Incorporated in September 2017, QMS Medical Allied Services Limited ('the Company') is engaged in the pharmaceutical business involving marketing, trading and distribution of wide range of Medical Products, Medical and surgical Instruments, Medical Equipments & Accessories and Medical Devices.

#### II. Significant Accounting Policies

##### 1. Basis of Presentation of Financial Statements:

The Financial Statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention (except in case of assets for which provision for impairment is made), on the accrual basis of accounting and complying with the provisions of the Companies Act, 2013. Accounting policies not specifically referred to otherwise, are in consonance with accounting principles generally accepted in India and Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI) to the extent applicable. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.

##### 2. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although, these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets & liabilities in future period.

##### 3. Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. The cost is determined on First in First Out basis, and includes all costs incurred in bringing the inventories to their present location and condition. In the case of work-in-progress and finished goods, cost also include costs of conversion.

Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

##### 4. Cash Flow Statement:

The company reports cash flow from operating activities using Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash & cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of 3 months or less.

##### 5. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received net of discounts and indirect taxes. Other Income is accounted on accrual basis except where receipt of income is uncertain.

##### 6. Property Plant and Equipment:

An item of property plant and equipment should be measured at cost, net of recoverable indirect taxes, less accumulated depreciation. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. All costs, including financial costs till commencement of commercial

production or use are capitalized to the cost of qualifying assets. Recoverable Indirect Taxes credits on capital goods are accounted for by reducing the cost of capital goods. Gains & losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the Statement of Profit & Loss when the asset is derecognized. The amount of depreciation is reduced from the carrying amount of asset. Depreciation has been charged on Fixed Assets as per Written Down Value Method, based on useful life of the assets and in the manner as prescribed in Schedule II of the Companies Act, 2013. In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

#### **7. Foreign Exchange Fluctuation:**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are restated at year end rates. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### **8. Earnings per Share:**

Basic earnings 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 shares outstanding during the year.

#### **9. Accounting for Taxes:**

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961. As required by “Accounting Standard 22 - Accounting for Taxes on Income”, the company has provided for Deferred Taxes. The tax effect of timing differences originating and reversing during the year has been reflected in the current year’s Profit & Loss Ac.

#### **10. Provisions, Contingent Liabilities & Contingent Assets:**

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions involving substantial degree of estimation in measurement are 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. Where no reliable estimate can be made, a disclosure is made as Contingent Liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not; require an out flow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**Annexure V**  
**NOTES TO ACCOUNTS**

**1. Director Remuneration**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
Director Remuneration	42.00	68.50	35.00	-

**2. Remuneration to Auditors**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
Statutory Audit Fees	0.50	1.00	1.00	0.25
For Taxation Matters	0.18	0.35	0.35	-
Other Certification	0.08	0.15	0.15	-
<b>Total</b>	<b>0.75</b>	<b>1.50</b>	<b>1.50</b>	<b>0.25</b>

**3. Deferred Tax**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>Deferred tax liabilities/(assets) arising on account of timing difference in:</b>				
Opening Balance	(0.36)	(0.18)	-	-
Depreciation	2.95	(0.19)	(0.18)	-
<b>Closing Balance</b>	<b>2.58</b>	<b>(0.36)</b>	<b>(0.18)</b>	<b>-</b>

**4. Information regarding Foreign Exchange earnings and expenditure**

(₹ in lakhs)

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
<b>Expenses incurred</b>				
CIF Value of Imports	328.03	894.66	269.60	-
<b>Foreign Currency Balances</b>				
Payables	84.06	81.11	59.25	-
Advance for goods	81.02	33.19	24.40	-

- There are no dues as required to be disclosed U/S 22 of the Micro, Small & Medium Enterprises Development Act, 2006 in Fiscal 2019 and Fiscal 2018. However dues remaining unpaid as at 31st March 2020 are Rs 0.09 lakhs.
- The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
- There is no Auditor's Qualification in any of the audited Financial Statements as at and for the period ended September 30, 2020 and for the financial years ended on March 31, 2020, 2019 and 2018.

**ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGROUPING NOTES**

**Adjustments having impact on profit**

Changes done in profit after tax due to change in depreciation and its effect on deferred tax has been restated for the financial years 2019-20, 2018-19 and 2017-18.

(₹ in lakhs)

Particulars	Year ended March 31,		
	2020	2019	2018
<b>Profit and Loss as per audited financial statement</b>	632.23	306.62	0.66
Add: Adjustment in current tax	(3.05)	3.05	0.00
<b>Profit and Loss as per restated financial statement</b>	<b>635.28</b>	<b>303.58</b>	<b>0.65</b>

Changes in Reserves and Surplus due to impact on profit after tax as detailed in the above table has been restated for the financial years 2019-20, 2018-19 and 2017-18.

(₹ in lakhs)

Particulars	Year ended March 31,		
	2020	2019	2018
<b>Reserves &amp; Surplus as per audited financial statement</b>	639.51	307.28	0.66
Add: Changes in Profit	-	3.05	0.00
<b>Reserves &amp; Surplus as per restated financial statement</b>	<b>639.51</b>	<b>304.24</b>	<b>0.65</b>

#### Adjustments not having impact on profit

Appropriate adjustments 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 and Disclosure Requirements) Regulations 2018.

**Annexure VI**  
**STATEMENT OF SHARE CAPITAL, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Authorised Share Capital :</b>				
10,000 Equity Shares of ₹ 10 each	-	-	1.00	1.00
50,00,000 Equity Shares of ₹ 10 each	500.00	500.00	-	-
<b>Total</b>	<b>500.00</b>	<b>500.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Issued Subscribed and Paid Up Capital:</b>				
10,000 Equity Shares of ₹ 10 each	-	-	1.00	1.00
30,10,000 Equity Shares of ₹ 10 each	301.00	301.00	-	-
<b>Total</b>	<b>301.00</b>	<b>301.00</b>	<b>1.00</b>	<b>1.00</b>

**Reconciliation of number of shares outstanding:**

Particulars	Period ended Sept 30, 2020	Year ended March 31,		
		2020	2019	2018
Equity Shares at the beginning of the year/ period	30,10,000	10,000	10,000	-
Issued during the year/ period	-	30,00,000	-	10,000
Shares outstanding at the end of the year/ period	<b>30,10,000</b>	<b>30,10,000</b>	<b>10,000</b>	<b>10,000</b>

**Details of Shareholders holding more than 5% shares**

Name of Shareholder	As at Sept 30, 2020		As at March 31,					
			2020		2019		2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<i>Equity Shareholder</i>								
Mahesh Makhija	29,49,800	98.00%	29,49,800	98.00%	9,800	98.00%	9,800	98.00%
<b>Total</b>	<b>29,49,800</b>	<b>98.00%</b>	<b>29,49,800</b>	<b>98.00%</b>	<b>9,800</b>	<b>98.00%</b>	<b>9,800</b>	<b>98.00%</b>

**Terms, Rights, preferences and restrictions attached to shares:**

*Terms and rights attached to equity shares*

(i) The company has issued only one class of equity share having a face value of ₹ 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**Annexure VII**  
**STATEMENT OF RESERVES AND SURPLUS, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Surplus</b>				
Opening balance of Statement of Profit & Loss	639.51	304.23	0.65	-
Add / (Less): Additions during the period	671.11	635.28	303.58	0.65
Less: Bonus issued during the period	-	(300.00)	-	-
<b>Closing Balance</b>	<b>1,310.61</b>	<b>304.23</b>	<b>0.65</b>	<b>-</b>

**Annexure VIII**  
**STATEMENT OF DEFERRED TAX LIABILITIES/ (ASSETS), AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
WDV as per Companies Act	786.65	323.98	11.84	-
WDV as per Income Tax Act	776.39	325.43	12.48	-
<b>Diff of Dep - DTL / (DTA)</b>	<b>10.26</b>	<b>(1.45)</b>	<b>(0.64)</b>	<b>-</b>
<b>Total Time Difference</b>				
Cl. Bal. of Deferred Tax Liability/(Asset)	2.58	(0.36)	(0.18)	-
Op. Bal. of Deferred Tax Liability	(0.36)	(0.18)	-	-
<b>DTA Effect in Profit &amp; Loss a/c</b>	<b>2.95</b>	<b>(0.19)</b>	<b>(0.18)</b>	<b>-</b>

**Annexure IX**  
**STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Secured Loan</b>				
Cash Credit	1,155.97	899.06	376.36	-
<b>Unsecured Loan</b>				
From Directors	521.19	261.37	78.93	5.05
<b>Total</b>	<b>1,677.16</b>	<b>1,160.43</b>	<b>455.29</b>	<b>5.05</b>

Note: For details of the Terms of Sanction and other details of outstanding loans please refer "Financial Indebtedness" on page 153 of this Draft Prospectus.

**Annexure X**  
**STATEMENT OF TRADE PAYABLE, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Unsecured, considered good</b>				
<b>Dues to Micro, Small and Medium Enterprises</b>	-	0.09	-	-
<b>Dues to creditors other than Micro, Small and Medium Enterprises</b>				
-For Goods	1,322.08	1,009.53	752.35	500.58
-For Expenses	138.23	109.81	121.34	-
<b>Total</b>	<b>1,460.31</b>	<b>1,119.43</b>	<b>873.70</b>	<b>500.58</b>

**Annexure XI**  
**STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Expenses Payable	94.00	18.42	23.47	0.21
Advance from Customers	10.95	-	0.01	0.45
Statutory Dues Payable	9.55	7.24	5.80	-
Temporarily overdrawn bank balance	-	26.69	74.10	-
Income received in Advance	-	-	27.14	-
Payable for Capital Goods	13.76	12.59	-	-
<b>Total</b>	<b>128.25</b>	<b>64.94</b>	<b>130.51</b>	<b>0.66</b>



**Annexure XII**  
**STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Provision for Audit fees	0.68	1.22	1.22	0.25
Provisions for Tax (Net of Advance Tax)	227.58	53.93	22.67	0.27
Provision for ROC Expenses	-	7.56		
<b>Total</b>	<b>228.26</b>	<b>62.70</b>	<b>23.88</b>	<b>0.52</b>

**Annexure XIII**  
**STATEMENT OF PROPERTY, PLANT & EQUIPMENTS, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>A. TANGIBLE ASSETS</b>				
<b>Office Premises</b>				
Gross Block	190.59	-	-	-
Addition during the year/ period	493.81	190.59	-	-
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	(13.02)	(1.75)	-	-
Accumulated Depreciation	(14.77)	(1.75)	-	-
<b>Closing Balance (Net Block)</b>	<b>669.63</b>	<b>188.84</b>	-	-
<b>Improvement to Leasehold Premises</b>				
Gross Block	27.04	-	-	-
Addition during the year/ period	-	27.04	-	-
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	(3.34)	(1.32)	-	-
Accumulated Depreciation	(4.66)	(1.32)	-	-
<b>Closing Balance (Net Block)</b>	<b>22.38</b>	<b>25.72</b>	-	-
<b>Office Equipment</b>				
Gross Block	43.56	1.47	-	-
Addition during the year/ period	2.16	42.09	1.47	-
Reduction during the year/ period	-	-	-	-
Depreciation during the year/ period	(7.62)	(11.38)	(0.31)	-
Accumulated Depreciation	(19.31)	(11.69)	(0.31)	-
<b>Closing Balance (Net Block)</b>	<b>26.40</b>	<b>31.86</b>	<b>1.16</b>	-
<b>Computer</b>				
Gross Block	18.37	3.02	-	-
Addition during the year/ period	2.53	15.35	3.02	-
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	(4.35)	(5.90)	(1.32)	-
Accumulated Depreciation	(11.57)	(7.21)	(1.32)	-
<b>Closing Balance (Net Block)</b>	<b>9.33</b>	<b>11.16</b>	<b>1.70</b>	-
<b>Furniture &amp; Fixtures</b>				
Gross Block	51.92	0.16	-	51.92
Addition during the year/ period	1.86	51.76	0.16	1.86
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	(5.91)	(6.98)	(0.02)	(5.91)
Accumulated Depreciation	(12.91)	(7.01)	(0.02)	(12.91)
<b>Closing Balance (Net Block)</b>	<b>40.87</b>	<b>44.91</b>	<b>0.14</b>	<b>40.87</b>

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Electrification</b>				
Gross Block	10.67	-	-	-
Addition during the year/ period	-	10.67	-	-
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	1.29	0.70	-	-
Accumulated Depreciation	(1.99)	(0.70)	-	-
<b>Closing Balance (Net Block)</b>	<b>8.67</b>	<b>9.97</b>	-	-
<b>B. INTANGIBLE ASSETS</b>				
<b>Software</b>				
Gross Block	21.01	10.58	-	-
Addition during the year/ period	2.24	10.43	10.58	-
Reduction during the year/ period	-	-	-	-
Depreciation During the year/ period	(4.39)	(7.77)	(1.73)	-
Accumulated Depreciation	(13.89)	(9.50)	(1.73)	-
<b>Closing Balance (Net Block)</b>	<b>9.36</b>	<b>11.52</b>	<b>8.85</b>	-
<b>Total Tangible Assets (Gross Block)</b>	<b>842.50</b>	<b>342.15</b>	<b>4.65</b>	-
<b>Total Intangible Assets (Gross Block)</b>	<b>23.25</b>	<b>21.01</b>	<b>10.58</b>	-
<b>Accumulated Depreciation- Tangible Assets</b>	<b>(65.22)</b>	<b>(29.68)</b>	<b>(1.65)</b>	-
<b>Accumulated Depreciation- Intangible Assets</b>	<b>(13.89)</b>	<b>(9.50)</b>	<b>(1.73)</b>	-
<b>Net Tangible Asset (Net Block)</b>	<b>777.29</b>	<b>312.46</b>	<b>2.99</b>	-
<b>Net Intangible Asset (Net Block)</b>	<b>9.36</b>	<b>11.52</b>	<b>8.85</b>	-

#### Annexure XIV

#### STATEMENT OF LONG TERM LOANS AND ADVANCES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Rent Deposit	18.53	18.53	-	-
<b>Total</b>	<b>18.53</b>	<b>18.53</b>	<b>-</b>	<b>-</b>

#### Annexure XV

#### STATEMENT OF INVENTORIES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Traded Goods	2,339.96	1,569.47	895.44	438.74
<b>Total</b>	<b>2,339.96</b>	<b>1,569.47</b>	<b>895.44</b>	<b>438.74</b>

#### Annexure XVI

#### STATEMENT OF TRADE RECEIVABLES, AS RESTATED

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>A. Outstanding (more than six months)</b>				
a) Secured, Considered Good	365.23	86.81	6.30	-
b) Unsecured, Considered Good	-	-	-	-
c) Doubtful	-	-	-	-
<b>Total (A)</b>	<b>-</b>	<b>86.81</b>	<b>6.30</b>	<b>-</b>

<b>B. Others (Less Than Six Months)</b>				
a) Secured, Considered Good	1,139.27	1,034.43	795.49	9.38
b) Unsecured, Considered Good	-	-	-	-
c) Doubtful	-	-	-	-
<b>Total (B)</b>	-	-	-	-
<b>Total (A + B)</b>	<b>1,504.50</b>	<b>1,121.23</b>	<b>801.79</b>	<b>9.38</b>

**Annexure XVII**  
**STATEMENT OF CASH & BANK BALANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>Cash &amp; Cash Equivalents</b>				
Cash-in-Hand	17.92	18.12	5.64	-
Bank Balance	13.75	47.41	8.14	2.59
<b>Total</b>	<b>31.67</b>	<b>65.53</b>	<b>13.79</b>	<b>2.59</b>

**Annexure XVIII**  
**STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>(Unsecured, considered good unless otherwise specified)</b>				
Loans advanced to Staff	5.91	1.47	0.09	-
Advance for purchase of premises		21.00		-
<b>Total</b>	<b>5.91</b>	<b>22.47</b>	<b>0.09</b>	<b>-</b>

**Annexure XIX**  
**STATEMENT OF OTHER CURRENT ASSETS, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Advance to Suppliers	340.07	158.78	34.86	2.90
Salary paid in Advance	-	3.47	-	-
Net GST Input Credit Receivable	20.26	7.64	13.00	53.85
GST Input Credit on Stock in transit	11.62	11.62	17.23	-
Prepaid Expenses	11.48	39.36	0.38	-
Others	0.55	5.54	-	1.00
Unbilled revenue	36.98	-	-	-
<b>Total</b>	<b>420.96</b>	<b>226.42</b>	<b>65.47</b>	<b>57.75</b>

**Annexure XX**  
**STATEMENT OF REVENUE FROM OPERATIONS, AS RESTATED**

(₹ in Lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Sale of products	5,795.39	6,546.91	4,870.68	8.37
Sale of services	75.99	727.05	318.80	-
<b>Total</b>	<b>5,871.38</b>	<b>7,273.96</b>	<b>5,189.48</b>	<b>8.37</b>

**Annexure XXI**  
**STATEMENT OF OTHER INCOME, AS RESTATED**

(₹ in Lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Commission Income	-	3.85		
Foreign Exchange Gain	-	-	1.35	
<b>Total</b>	-	<b>3.85</b>	<b>1.35</b>	-

**Annexure XXII**  
**STATEMENT OF CONTINGENT LIABILITIES, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
Contingent Liabilities	-	-	-	-
<b>Total</b>	-	-	-	-

**Annexure XXIII**  
**STATEMENT OF DIVIDEND DECLARED, AS RESTATED**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>On Equity Shares</b>				
Fully Paid up Share Capital (₹ in lakhs)	301.00	301.00	1.00	1.00
Face Value (₹)	10.00	10.00	10.00	10.00
Paid up value per share (₹)	10.00	10.00	10.00	10.00
Rate of Dividend	-	-	-	-
Total Dividend	-	-	-	-
Corporate Dividend tax on above	-	-	-	-

**Annexure XXIV**  
**STATEMENT OF RELATED PARTY TRANSACTIONS, AS RESTATED**

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

(i) Key Managerial Personnel and their Relatives

For the period ended Sept 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Mahesh Makhija	Mahesh Makhija	Mahesh Makhija	Mahesh Makhija
Rani Makhija	Rani Makhija	Rani Makhija	Rani Makhija
Diti Makhija	Diti Makhija	Diti Makhija	Diti Makhija
Guddi Makhija	Guddi Makhija	Guddi Makhija	Guddi Makhija

(ii) Associates / Enterprises over which any person described in (i) is able to exercise significant influence Associates

For the period ended Sept 30, 2020	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Queens Marketing Services	Queens Marketing Services	Queens Marketing Services	Queens Marketing Services
Queens Promotional Services Private Limited	Queens Promotional Services Private Limited	Queens Promotional Services Private Limited	Queens Promotional Services Private Limited
Mayukh Healthcare Services LLP	Mayukh Healthcare Services LLP	-	-

(iii) Particulars of Transactions with Related Parties

**Key Management Personnel & their Relatives**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>1) Finance</b>				
<b>Loans Taken</b>				
Opening Balance	2.99	12.12	0.05	-
Loan taken during the year	370.30	74.00	312.10	0.05
Loan repaid during the year	-	83.13	300.03	-
<b>Outstanding at the end of the year</b>	<b>373.29</b>	<b>2.99</b>	<b>12.12</b>	<b>0.05</b>
<b>2) Expense</b>				
Remuneration	42.00	68.50	35.00	-
Rent	15.00	24.00	12.00	-
Reimbursement Expenses	-	-	1.61	-
Security Deposit	-	15.00	-	-
Interest	5.41	-	-	-
<b>3) Outstanding Balances- Expense payable</b>				
Rent payable	19.41	2.90	10.80	-
Remuneration payable	29.00	0.77	-	-
Reimbursement of expense payable	-	-	1.61	-

**Associates / Enterprises over which any person described in (i) is able to exercise significant influence Associates**

(₹ in lakhs)

Particulars	As at Sept 30, 2020	As at March 31,		
		2020	2019	2018
<b>1) Finance</b>				
<b>Loans Taken</b>				
Opening Balance	258.38	66.81	5.00	-
Loan taken during the year	83.97	995.55	816.09	5.00
Loan repaid during the year	194.45	803.98	754.27	-
<b>Outstanding at the end of the year</b>	<b>147.90</b>	<b>258.38</b>	<b>66.81</b>	<b>5.00</b>
<b>2) Expense</b>				
Reimbursement Expense	-	-	1.91	-
Interest	13.50	-	-	-
<b>3) Sales/ Purchase</b>				
Purchase	7.56	183.92	1,081.29	7.01
Sales	68.93	395.84	246.01	-
<b>4) Debtors/Creditors O/s Balance</b>				
Debtors/ Advances to suppliers	2.48	338.28	26.22	7.86
Creditors/ Advances from customers	44.01	35.16	217.99	-

**Annexure XXV**  
**STATEMENT OF TAX SHELTER, AS RESTATED**

(₹ in Lakhs)

Particulars	As at Sept 30, 2020*	As at March 31,		
		2020	2019	2018
<b>Tax Rates</b>				
Income Tax Rate (%)	25.17%	25.17%	27.82%	33.06%
<b>Income from Business or Profession</b>				
Restated Profit before tax as per books (A)	<b>901.05</b>	<b>872.09</b>	<b>437.45</b>	<b>0.92</b>
<b>Timing Differences</b>				
Book Depreciation	39.92	35.80	3.38	-
Income Tax Depreciation Allowance	98.11	34.99	(2.74)	-
<b>Total Timing Differences (B)</b>	<b>(58.19)</b>	<b>0.81</b>	<b>0.64</b>	
<b>Permanent Differences</b>				
Add : Disallowable under Sec 43B	-	-	18.36	-
Add : Disallowable under Sec 37	1.42	39.29	28.93	-
<b>Total Permanent Differences (C)</b>	<b>1.42</b>	<b>39.29</b>	<b>47.29</b>	<b>-</b>
<b>Income from Business or Profession (D) = (A+B+C)</b>	<b>844.28</b>	<b>912.19</b>	<b>485.38</b>	<b>0.92</b>
<b>Deductions under Chapter VIA</b>				
Deduction under 80G	-	3.06	12.21	
<b>Total Deductions under Chapter VIA (H)</b>	<b>-</b>	<b>3.06</b>	<b>12.21</b>	<b>-</b>
<b>Total Taxable income (E+F+G-H)</b>	<b>844.28</b>	<b>909.13</b>	<b>473.17</b>	<b>0.92</b>
Income Tax on above	212.49	228.81	131.64	0.24
Book Profit for MAT	901.05	872.09	437.45	0.92
MAT on Book Profit			90.06	0.18
Tax paid as per normal or MAT	NORMAL	NORMAL	NORMAL	NORMAL
Less: TDS	-	42.99	9.38	
Less: Advance Tax	-	140.00	102.00	-
Add: Interest Payable	-	7.61	2.41	0.03
Self Assessment tax	-	53.86	22.67	0.27
Tax Payable	-	(0.43)	-	-
Provision created	227.00	-	-	-

\* Not annualised

**Notes:**

1. The aforesaid Statement of tax Shelters has been prepared as per the Restated Profit and Loss Account.

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

There has been no change in the Accounting Policies in the last three (3) years.

**CHANGES IN ACCOUNTING PERIOD**

There has been no change in the accounting period of the Company.

## OTHER FINANCIAL INFORMATION

### STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

(₹ in lakhs)

Particulars	For period ended Sept 30, 2020*	For the year ended March 31,		
		2020	2019	2018
<b>Restated Net Profit as per P&amp;L Account</b>	<b>671.11</b>	<b>635.28</b>	<b>303.58</b>	<b>0.65</b>
Actual Number of Equity Shares outstanding at the end of the year/ period	30,10,000	30,10,000	10,000	10,000
Equivalent Weighted Average number of Equity Shares at the end of the year/ period <sup>(1)</sup>	37,62,500	37,62,500	37,62,500	37,62,500
Share Capital	301.00	301.00	1.00	1.00
Reserves & Surplus	1,310.61	639.51	304.23	0.65
Less: Miscellaneous Expense written off	-	-	-	-
<b>Net Worth</b>	<b>1,611.61</b>	<b>940.51</b>	<b>305.23</b>	<b>1.65</b>
<b>Earnings Per Share (EPS)</b>				
Basic and Diluted EPS (Rs.)	17.84	16.88	8.07	0.02
Return on Net worth (%)	41.64%	67.55%	99.46%	39.57%
Net Assets Value per Equity Share (Rs.) - based on actual no. of equity shares at the end of the year/ period	53.54	31.25	3,052.31	16.55
Net Asset Value Per Share (Rs.) - based on actual no. of equity shares with bonus effect at the end of the year/ period <sup>(1)</sup>	42.83	25.00	8.11	0.04
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

\* Not Annualised

<sup>(1)</sup>As on September 30, 2020; the Company's paid up equity capital consist of 30,10,000 fully paid up equity shares of face value of Rs. 10/- each. Our Company has after September 30, 2020 allotted an aggregate of 7,52,500 equity shares of Rs. 10 each as bonus issue.

#### Notes to Accounting Ratios:

- 1) Formulas used for calculating above ratios are as under:
  - a) Basic EPS is being calculated by using the formula: (Net Profit after Tax / Equivalent Weighted Average No. of equity Shares outstanding during the year/ period)
  - b) Diluted EPS is being calculated by using the formula: (Net Profit after Tax / Diluted Equivalent Weighted Average No. of potential equity Shares outstanding during the year/ period)
  - c) Net worth = Equity Share Capital + Preference Capital + Reserves & Surplus (excluding Revaluation Reserves) – Miscellaneous Expenses not written off
  - d) Net Asset Value is being calculated by using the formula: (Restated Net Worth / Actual Number of Equity Shares at end of the year / period)
  - e) Return on Net worth (%) is being calculated by using the formula: (Restated Profit After Tax / Restated Networth) \*100
- 2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
- 3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.



- 4) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year/ period. .

The above statements should be read with the Notes to Restated Financial Statements.

**For M/s. P. V. Dalal & Co.,**  
**Chartered Accountants**  
(Firm Registration No. 102049W)

Paresh Dalal  
**Proprietor**  
Membership No: 033355  
Place: Mumbai  
Date: January 08, 2021  
UDIN: 21033355AAAAQ4634

**CAPITALISATION STATEMENT**

**STATEMENT OF CAPITALIZATION, AS RESTATED**

*(₹ in lakhs)*

Particular	Pre Issue (as at Sept 30, 2020)	Post Issue
<b>Borrowings</b>		
Long Term Debt (A)	-	-
Short Term Debt (B)	1,677.16	1672.16
<b>Total debts (C=A+B)</b>	<b>1,677.16</b>	<b>1672.16</b>
<b>Shareholders' funds</b>		
Equity share capital (D)	301.00	[•]
Reserve and surplus - as restated (E )	1,310.61	[•]
Total shareholders' funds (F=D+E)	<b>1,611.61</b>	[•]
<b>Long term debt / shareholders funds</b>	-	[•]
<b>Total debt / shareholders funds</b>	<b>1.04</b>	[•]

The above has been computed on the basis of Restated Financials of the Company.

**For M/s. P. V. Dalal & Co.,**  
**Chartered Accountants**  
 (Firm Registration No. 102049W)

Paresh Dalal  
**Proprietor**  
 Membership No: 033355  
 Place: Mumbai  
 Date: January 08, 2021  
 UDIN: 21033355AAAAM5576

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

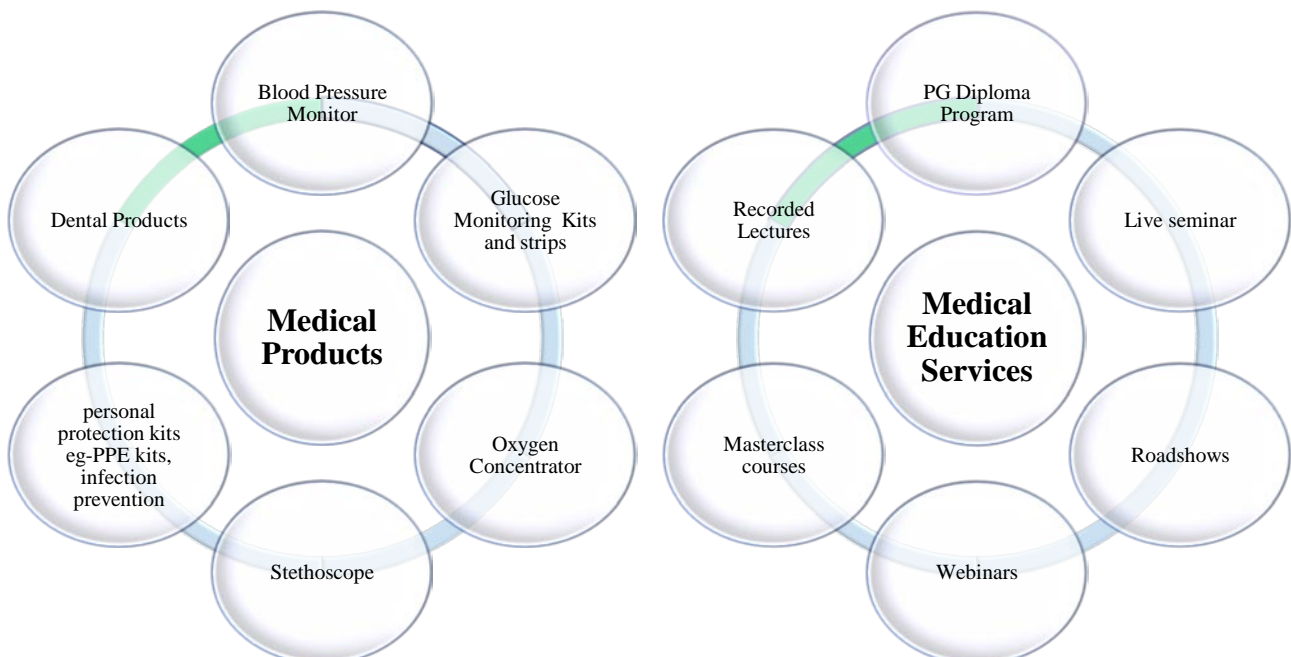
You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements 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 is engaged in the marketing and distribution of a wide range of medical products as well as medical education services. We manage a wide range portfolio of products which are being sold under our registered brand name "QDevices" and we also manage distribution for other brands such as 3M, Heine, Rossmax etc. Further, our company organizes and provides medical education to members belonging to medical fraternity by partnering with renowned medical education institutions such as EACME. These programs are balanced with a global perspective from credible authentic courses with global Colleges and universities. We aim to become the "first choice vendor" for all large and small pharmaceutical and medical companies which intend to procure products and services we offer for distribution as part of the branding, marketing and medical awareness initiatives. We have recently launched our brand "Qdevices", which is a vision of Atmanirbhar Bharat and working on Made in India concept with an intention to provide affordable and quality products in the market and strengthen our brand; so as to become a customer preferred medical device company.

With an aim to offer a comprehensive range of products, we have expanded our product portfolio, which has resulted in enhanced growth and profitability. Our growth is further driven by our ability to make available an assortment of quality products under trusted brands. Our company aims to impact lives of people through continuous skill development and hence provides various medical courses like PG Diploma in Cardiology, Masterclass in Diabetes & renal management, cardiology and cardiac rehabilitation etc. for continuous skill development.



We market and help in distribution of the products across India through offline and online mode by means of our own website i.e. <https://qmsmas.com>. We believe that this distribution network ensures that our products are easily available in almost any part of India. We continue to engage in various marketing initiatives to build brand awareness and recall value for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

Our company has an ecommerce platform called Qmeds- <https://qmsmeds.com>, which provides online service to medical equipment dealers, distributors, surgeons and clinicians for sourcing medical supplies from our surgical supply store. Recently, our company has launched a new range of products under the name of Q Devices. Our idea is not only to sell a product, but our company believes in building values through our alliance with various healthcare product manufacturers for better customer satisfaction, quality, and commitment and to serve our customers the best in the space of healthcare. With our long standing operations and quality services, we have built a strong relationship with our customers. Some of our major clients include nationally and internationally known pharmaceutical companies like 3M, BPL, Choicemed, Rossmax, Heine, QDevice, Volk, Biosense to name a few

### **Significant Developments after September 30, 2020 that may affect our Future Results of Operations**

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

### **RECENT DEVELOPMENT**

#### ***Impact of COVID-19***

In response to the COVID-19 outbreak, the governments of many countries, including India have taken preventive or protective actions, such as imposing country-wide lockdowns, restrictions on domestic and international travel and business operations and advising or requiring individuals to limit their time outside of their homes. The steps taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India. The impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown and no prediction can be made of when any of the restrictions currently in place will be relaxed or expire, or whether or when further restrictions will be announced.

Because of a government mandated lockdown in India it has caused disruptions in the business in terms of shortage of manpower, delayed shipments, increased freight, rise in raw material costs, delay in sales realisations etc. Despite this, our business and operations have continued to run effectively due to the general awareness about the healthcare products in which our Company operates pursuant to COVID-19. Though our business has been affected during the initial days of lockdown, we have not faced any material impact on the business of our Company. For further information, see “*Our Business*” on page 83 of this Draft Prospectus.

However, the outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our vendors and service providers, which could adversely affect our business, financial condition and results of operations. Also see “*Risk Factors*” on page 20 of this Draft Prospectus.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the corona virus and the actions taken globally to contain the corona virus or treat its impact, among others. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular.

---

## **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in the Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

### ***Dependence on third party for manufacturing of our products***

Our Company is engaged in the marketing and distribution of medical devices, accessories and other staples which are used for branding exercises and medical awareness initiatives by large pharmaceutical companies. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of traded or marketed goods. There can be no assurance that such parties shall continuously provide their products to us or would not cater to demand of our competitors directly. In the event of any disruption in the goods supply or the non-availability of goods, the purchase and distribution schedule may be adversely affected impacting the sales and profitability of the Company.

### ***Our investments in new products and distribution channels may not be profitable and may be loss-making***

In order to maintain a competitive position, we continue to invest in new home healthcare products. Our investments in new products or distribution channels, such as e-commerce and delivery platforms, whether developed in-house or through third parties, may be less profitable than what we have experienced historically, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

### ***Changes in Technology***

Modernization and technology upgradation is essential for the products that we sell to our customers. Being technology driven enables us to gain a deep understanding of the market trends in the home healthcare industry. The landscape of the home healthcare industry continues to change in response to technological innovation and evolving consumer trends. New technology is changing the very definition of healthcare device industry. However if we are unable to respond to changes in technology and evolving industry trends, our businesses may not be able to compete effectively.

### ***Availability of Look-alikes, Counterfeit Healthcare Devices***

We are exposed to the risk that entities in India and elsewhere could pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit healthcare devices, including spurious or pirated products. For example, certain entities could imitate our brand name, packaging material or attempt to create lookalike products. Similarly, we may be unable to protect our trade secrets, including product specifications, which if obtained by counterfeiters, could be used to create products that are substantially similar to ours. 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.

### ***Substantial portion of our revenues has been dependent upon limited number of customers.***

Consistent with the pharmaceutical industry practice, we do not have firm commitment supply agreements with most of our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Revenue from our top 10 customers constituted 85.12 % and 78.68 % of our revenue from operations for period/ year ending September 30, 2020 and March 31, 2020 respectively. The loss of any significant client would have a material effect on our financial results.

**RESULTS OF OUR OPERATIONS**

Particulars	For the period ended September 30,		For the year ended March 31,					
	2020	% of Total Income	2020	% of Total Income	2019	% of Total Income	2018	% of Total Income
<b>INCOME:</b>								
Revenue from Operations (Net)	5,871.38	100%	7,273.96	99.95%	5,189.48	99.97%	8.37	100%
Other Income	-	-	3.85	0.05%	1.35	0.03%	-	-
<b>Total income</b>	<b>5,871.38</b>	<b>100%</b>	<b>7,277.80</b>	<b>100%</b>	<b>5,190.83</b>	<b>100%</b>	<b>8.37</b>	<b>100%</b>
<b>EXPENSES:</b>								
Purchase of stock in trade	5,339.72	90.94%	6,243.12	85.78%	4,741.38	91.34%	445.76	5324.36%
Change in inventories	(770.49)	(13.12)%	(674.02)	(9.26)%	(456.70)	(8.80)%	(438.74)	(5240.59)%
Employee benefit expenses	89.63	1.53%	160.91	2.21%	85.30	1.64%	-	0.00%
Finance costs	67.17	1.14%	53.32	0.73%	21.08	0.41%	-	0.00%
Depreciation	39.92	0.68%	35.80	0.49%	3.38	0.07%	-	0.00%
Other Expenses	204.38	3.48%	586.59	8.06%	358.94	6.91%	0.44	5.20%
<b>Total expenses</b>	<b>4,970.33</b>	<b>84.65%</b>	<b>6,405.71</b>	<b>88.02%</b>	<b>4,753.38</b>	<b>91.57%</b>	<b>7.45</b>	<b>88.98%</b>
<b>Profit before Prior period item, exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>15.35%</b>	<b>872.09</b>	<b>11.98%</b>	<b>437.45</b>	<b>8.43%</b>	<b>0.92</b>	<b>11.02%</b>
Prior period items	-	-	-	-	-	-	-	-
<b>Profit before exceptional item, extraordinary items and tax</b>	<b>901.05</b>	<b>15.35%</b>	<b>872.09</b>	<b>11.98%</b>	<b>437.45</b>	<b>8.43%</b>	<b>0.92</b>	<b>11.02%</b>
Exceptional items	-	-	-	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>901.05</b>	<b>15.35%</b>	<b>872.09</b>	<b>11.98%</b>	<b>437.45</b>	<b>8.43%</b>	<b>0.92</b>	<b>11.02%</b>
Extraordinary items	-	-	-	-	-	-	-	-
<b>Net Profit / (Loss) before Tax</b>	<b>901.05</b>	<b>15.35%</b>	<b>872.09</b>	<b>11.98%</b>	<b>437.45</b>	<b>8.43%</b>	<b>0.92</b>	<b>11.02%</b>
<b>Less: Tax expense</b>								
(a) Current Tax	227.00	3.87%	237.00	4.57%	134.05	2.58%	0.27	3.19%
(b) Deferred Tax	2.95	0.05%	(0.19)	0.00%	(0.18)	0.00%	-	0.00%
<b>Total tax expense</b>	<b>229.95</b>	<b>3.92%</b>	<b>236.81</b>	<b>4.56%</b>	<b>133.87</b>	<b>2.58%</b>	<b>0.27</b>	<b>3.19%</b>
<b>Net Profit/(Loss) after tax</b>	<b>671.11</b>	<b>11.43%</b>	<b>635.28</b>	<b>8.73%</b>	<b>303.58</b>	<b>5.85%</b>	<b>0.65</b>	<b>7.82%</b>

## ***Main 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 operations as a percentage of total income was 100%, 99.95%, 99.97%, and 100% for the period ended September 30, 2020 and for the fiscals 2020, 2019 and 2018 respectively.

#### *Other Income*

Our other income mostly comprises of commission and foreign exchange gain. Other income, as a percentage of total income was 0.05% and 0.03% for the fiscals 2020 and 2019 respectively. Other income was Nil for the period ended Sept 30, 2020 and for the fiscal 2018.

### **Expenditure**

Our total expenditure primarily consists of Purchase of stock in trade, change in inventories, Employee Benefit Expenses, finance cost, Depreciation Expenses, and other expenses.

#### *Purchase of stock in trade:*

Costs of Purchase of stock in trade are primarily in relation to medical products including medical devices, accessories and other staples procured for distribution, which are used for branding exercises and medical awareness initiatives by large pharmaceutical companies.

#### *Employee Benefit Expenses*

Expense in relation to employee benefit expenses includes Directors remuneration, salary and wages paid to the employees and staff welfare expenses.

#### *Depreciation Expenses*

Depreciation Expenses consist of depreciation on the Tangible assets of our company i.e. Computer, Furniture and Fixtures, Office Equipment, Improvements to leasehold premises, electrification and Intangible assets i.e. software.

#### *Finance costs*

Finance cost consists of interest on secured and unsecured loans.

#### *Other Expenses*

Other expenses consist of expenses towards provision of services, brokerage and commission expense, printing and stationery, legal expenses, rent expenses and various other expenses.

#### *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.



## **Review for the six (6) months period ended September 30, 2020**

### *Income*

Our total income for the six months period ended September 30, 2020 was ₹ 5,871.38 lakhs. In the mentioned period, the revenue earned from operations was 100% of the total income.

### *Purchase of stock in Trade*

The cost of purchases of stock in trade for the period ending September 30, 2020 was ₹ 5,339.72 lakhs. As a proportion of our total income, it was 90.94 %.

### *Employee Benefit Expenses*

Employee Benefit Expenses for the six months period ended September 30, 2020 was ₹ 89.63 lakhs. As a proportion of our total income it was 1.53%.

### *Financial Cost*

Financial Cost for the six months period ended September 30, 2020 was ₹ 67.17 lakhs i.e. 1.14 % of the total income for the period

### *Depreciation*

Depreciation for the six months period ended September 30, 2020 was ₹ 39.92 lakhs. As a proportion of total income it was 0.68 %.

### *Other Expenses*

Other Expenses for the six months period ended September 30, 2020 was ₹ 204.38 lakhs. As a proportion of our total income it was 3.48 %.

### *Profit/ (Loss) before Tax*

Profit before Tax for the six months period ended September 30, 2020 was ₹ 901.05 lakhs. i.e. 15.35% of our total income.

### *Tax Expenses*

Our company's tax expenses for the six months period ended September 30, 2020 was ₹ 229.95 lakhs consisting of deferred tax and current tax.

### *Profit/ (Loss) after Tax*

Profit after Tax for the six months period ended September 30, 2020 was ₹ 671.11 lakhs i.e. 11.43 % of our total income.

## **Fiscal 2020 compared with fiscal 2019**

### *Income*

In fiscal 2020, our total income increased by ₹ 2,086.98 lakhs or 40.21%, from ₹ 5190.83 lakhs in fiscal 2019 to ₹ 7,277.80 lakhs in fiscal 2020. The increase in the year 2020 was due to increase in the revenue from operations as compared to last year.

Other income increased by ₹ 2.50 lakhs or 184.97%, from ₹ 1.35 lakhs in fiscal 2019 to ₹ 3.85 lakhs in fiscal 2020. There was commission income in fiscal 2020.

#### *Purchase of stock in Trade*

Cost of purchase of stock in trade increased by ₹ 1,501.74 lakhs or 31.67 %, from ₹ 4,741.38 lakhs in Fiscal 2019 to ₹ 6,243.12 lakhs in Fiscal 2020. The increase was due to increased volume in the distribution of the products.

#### *Employee Benefit Expenses*

Our staff cost increased by ₹ 75.61 lakhs or 88.65 %, from ₹ 85.30 lakhs in fiscal 2019 to ₹ 160.91 lakhs in fiscal 2020. This increase was mainly due to increase in number of employees and hence its effect on salaries and wages.

#### *Financial Cost*

Finance cost increased by ₹ 32.24 lakhs or 152.91 % from ₹ 21.08 lakhs in fiscal 2019 to ₹ 53.32 lakhs in fiscal 2020. The increase in the year 2020 was due to increase in bank charges.

#### *Depreciation Expenses*

Depreciation expenses increased by ₹ 32.41 lakhs or 957.68 % from ₹ 3.38 lakhs in fiscal 2019 to ₹ 35.80 lakhs in fiscal 2020. This increase was on account of additions of assets in FY 2019-20 and also due to WDV effect on the existing assets.

#### *Other Expenses*

Other expenses increased by ₹ 227.65 lakhs or 63.42 % from ₹ 358.94 lakhs in fiscal 2019 to ₹ 586.59 lakhs in Fiscal 2020. The increase was majorly due to increase in certain expense like expenses towards provision of services, computer expenses, brokerage expenses, donations, legal expenses, printing & stationery, postage and courier, insurance, taxes paid, travelling expenses etc.

#### *Profit/ (Loss) before Tax*

The increase in revenue from operations has led to increase in our Profit before tax by ₹ 434.64 lakhs or 99.36 % from ₹ 437.45 lakhs in fiscal 2019 to ₹ 872.09 lakhs in fiscal 2020.

#### *Tax Expenses*

The Company's tax expenses had increased by ₹ 102.94 lakhs or 76.89 % from ₹ 133.87 lakhs in the Fiscal 2019 to ₹ 236.81 lakhs in Fiscal 2020.

#### *Profit/ (Loss) after Tax*

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 331.70 lakhs or 109.26 %, from ₹ 303.58 lakhs in fiscal 2019 to ₹ 635.28 lakhs in fiscal 2020.

### **Fiscal 2019 compared with fiscal 2018**

#### ***Income***

In fiscal 2019, our total income increased by ₹ 5,182.46 lakhs or 61,902 %, from ₹ 8.37 lakhs in fiscal 2018 to ₹ 5,190.83 lakhs in fiscal 2019. The increase in the year 2019 was due to increase in the revenue from operations as compared to last year.

Other income was ₹ 1.35 in fiscal 2019 lakhs. Other income was NIL in fiscal 2018. The major factor for such increase was due to foreign exchange gain.

#### *Purchase of stock in Trade*

Cost of purchase of stock in trade increased by ₹ 4,295.62 lakhs or 964 %, from ₹ 445.76 lakhs in Fiscal 2018 to ₹ 4,741.38 lakhs in Fiscal 2019. The increase was due to increased volume in the distribution of the products.

### Employee Benefit Expenses

Our staff cost was ₹ 85.30 lakhs. There were no staff expenses in fiscal 2018 and hence its shows an increase of 100% in comparison to fiscal 2019. It consists mainly of directors remuneration, wages and salaries and staff welfare expenses.

### Financial Cost

Finance cost was ₹ 21.08 lakhs as compare to Nil in the previous year, hence showing an increase of 100%. The financial costs incurred were bank charges.

### Depreciation Expenses

Depreciation expenses were ₹ 3.38 lakhs as compare to Nil in the previous year, hence showing an increase of 100%. This was on account of additions of assets in FY 2018-19.

### Other Expenses

Other expenses increased by ₹ 358.50 lakhs or 82,272 % from ₹ 0.44 lakhs in fiscal 2018 to ₹ 358.94 lakhs in Fiscal 2019. FY 2018-19 being the second year of the business, the expenses were high as compared to fiscal 2018 with regards to expenses towards provision of services, computer expenses, brokerage expenses, donations, legal expenses, printing & stationery, postage and courier, insurance, taxes paid, travelling expenses etc.

### Profit/ (Loss) before Tax

The increase in revenue from operations has led to increase in our Profit before tax by ₹ 436.53 lakhs or 47,333% from ₹ 0.92 lakhs in fiscal 2018 to ₹ 437.45 lakhs in fiscal 2019.

### Tax Expenses

The Company's tax expenses had increased by ₹ 133.61 lakhs or 49,964% from ₹ 0.27 lakhs in Fiscal 2018 to ₹ 133.87 lakhs in Fiscal 2019.

### Profit/ (Loss) after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by ₹ 302.92 lakhs or 46,258 % from ₹ 0.65 lakhs in fiscal 2018 to ₹ 303.58 lakhs in fiscal 2019.

### Cash Flows

(₹ in lakhs)

Particulars	For period ending Sep 30,2020	For the year ended March 31		
		2020	2019	2018
Net Cash from Operating Activities	19.16	(252.13)	(402.74)	(3.46)
Net Cash from Investing Activities	(502.59)	(347.94)	(15.23)	-
Net Cash used in Financing Activities	449.57	651.81	429.16	6.05

### Cash Flows from Operating Activities

Net cash from operating activities for the period ended September 30, 2020 was ₹ 19.16 lakhs as compared to the PBT of ₹ 901.05 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, other current liabilities and short term loans & advances, short term provisions, inventories, other current assets etc.

Net cash from operating activities in fiscal 2020 was negative ₹ 252.13 lakhs as compared to the PBT of ₹ 872.09 lakhs for the same year. This difference is primarily on account of trade receivables, trade payables, other current liabilities, long term loans & advances and short term loans & advances, short term provisions, other current assets, inventories etc.

Net cash from operating activities in fiscal 2019 was negative ₹ 402.74 lakhs as compared to the PBT of ₹ 437.45 lakhs for the same year. This difference is primarily on account of trade receivables, trade payables, other current liabilities, short term loans & advances, short term provisions, inventories, other current assets etc.

Net cash from operating activities in fiscal 2018 was ₹ 3.46 lakhs as compared to the PBT of ₹ 0.92 lakhs for the same year. This difference is primarily on account of trade payables, short term provisions, other current assets, other current liabilities, trade receivables, inventories etc.

### ***Cash Flows from Investment Activities***

For the period ended September 30, 2020 the net cash invested in investing activities was negative ₹ 502.59 lakhs. This was majorly on account of purchase of fixed assets.

In fiscal 2020, the net cash invested in investing activities was negative ₹ 347.94 lakhs. This was majorly on account of purchase of fixed assets

In fiscal 2019, the net cash invested in Investing Activities was negative ₹ 15.23 lakhs. This was majorly on account of purchase of fixed assets.

In fiscal 2018, the net cash invested in Investing Activities was NIL.

### ***Cash Flows from Financing Activities***

Net cash from financing activities for the period ending September 30, 2020 was negative ₹ 449.57 lakhs. This was on account of proceeds from borrowings and finance cost.

Net cash from financing activities in fiscal 2020 was ₹ 651.81 lakhs. This was on account of proceeds from borrowings and finance cost.

Net cash from financing activities in fiscal 2019 was ₹ 429.16 lakhs. This was on account of proceeds from borrowings and finance cost.

Net cash from financing activities in fiscal 2018 was ₹ 6.05 lakhs. This was on account of proceeds from borrowings and proceeds for issue of share capital etc.

### ***OTHER MATTERS***

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” on page 122 and 143 respectively of this Draft Prospectus respectively, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*” on page 20 and 143 respectively of this Draft Prospectus respectively, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

#### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” on page 20 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

#### **5. The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new services or increased prices**

Increases in revenues are by and large linked to increase in volume of business activity i.e. tender being awarded to our Company thereby, serving more customers.

#### **6. Status of any publicly announced new services or business segments**

Please refer to the chapter titled “*Our Business*” on page 83 of this Draft Prospectus.

#### **7. The extent to which the business is seasonal.**

Our business is not seasonal in nature.

#### **8. Any significant dependence on a single or few suppliers or customers**

The revenues from our top 5 and top 10 customers constituted approximately 58.08 % and 78.68 % respectively for Fiscal 2020. For period ending September 30, 2020, the revenue from our top 5 and top 10 customers constituted approximately 64.67 % and 85.12 % respectively of the revenue from operations. For further details, please refer chapter “*Our Business*” on page 83 of this Draft Prospectus.

#### **9. Competition Conditions**

Apart from marketing medical devices under our own brand name, and we also manage distribution for other brands and act as a solution provider for their branding and awareness initiatives. The market for our products and services is competitive on account of both the organized and unorganized players. Our products face competition from products commercialized or under development by competitors in all of 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.

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on September 30, 2020 together with a brief description of certain significant terms of such financing arrangements.

(₹ in lakhs)

Nature of Borrowing	Amount
Secured Borrowings	1,155.97
Unsecured Borrowings	521.19
<b>Total</b>	<b>1,677.16</b>

### A. Details of Secured Loans

(₹ in lakhs)

Name of Lenders	Sanction Letter Date	Nature of the Facility	Amount Sanctioned	Amount outstanding as on September 30, 2020	Interest Rate and Security
Citibank	13 <sup>th</sup> March 2020	Cash Credit	1,100.00	1,011.44	Note 1
Standard Chartered Bank	31 <sup>st</sup> July 2020	Business Working capital facility	600.00	144.54	Note 2

### Interest Rate and Security Details

Particulars	Interest Rate	Sub- limits	Security Details
Note 1	9.50% p.a.	<p>The aforesaid amounts sanctioned includes sub-limits for amounts sanctioned towards different facilities as mentioned below:-</p> <ul style="list-style-type: none"> <li>• Working capital demand loan- ₹ 800 lakhs</li> <li>• Usance letter of credit- ₹ 600 lakhs</li> <li>• Sight Letter of credit – ₹ 600 lakhs</li> <li>• Bank guarantee- ₹ 400 lakhs</li> </ul>	<ul style="list-style-type: none"> <li>✓ First exclusive charge on present and future stocks and book debt of the borrower QMS Medical allied services Private Limited.</li> <li>✓ First exclusive charge by way of equitable mortgage on commercial office at 1A and 1B, Vijaya Bhavan, Prabhat colony, Road 7, Reliance sub-station, Santacruz ( E ), Mumbai - 400055</li> <li>✓ First exclusive charge by way of equitable mortgage on commercial property at Office No 2A &amp; 2B, 2<sup>nd</sup> floor, Building Navkala Bharathi, Prabhat Colony , Road no 3, Santacruz ( E ), Mumbai-400055</li> <li>✓ Personal Guarantee of Mahesh Makhija, Guddi Makhija and Rani Makhija.</li> <li>✓ Corporate Guarantee</li> </ul>
Note 2	<p>3M MCLR + Margin (1.25%) p.a.</p> <p>Current MCLR- 7.20%</p> <p><b>Interest Rate:</b> 8.45% p.a.</p>	<p>The aforesaid amounts sanctioned includes limit / sub-limits for amounts sanctioned towards different facilities as mentioned below:-</p> <ul style="list-style-type: none"> <li>• Letters of credit – ₹ 500 lakhs</li> <li>• Overdraft Facility- ₹ 480 lakhs</li> <li>• Bonds &amp; Guarantee- ₹ 100 lakhs</li> </ul>	<ul style="list-style-type: none"> <li>✓ <b>Collateral Security:</b> <ol style="list-style-type: none"> <li>1. Office No 2A &amp; 2B, 2<sup>nd</sup> floor, Building Navkala Bharathi, Prabhat Colony, Road no 3, Santacruz ( E ), Mumbai-400055</li> <li>2. Cash Backed LER limit at cash margin of 104.17%</li> </ol> </li> <li>✓ <b>Additional Mortgage Security Documents</b> <ol style="list-style-type: none"> <li>1. All monies mortgages over office no 2A &amp; 2B 2<sup>nd</sup> floor building , Building Navkala Bharathi , Prabhat Colony , Road no 3 , Santacruz ( E ), Mumbai 400055</li> </ol> </li> </ul>

## B. Details of Unsecured Borrowings

Our Company availed unsecured loans as on September 30, 2020; details of which are set out below:

(₹ in lakhs)

Name of Lenders	Amount outstanding as on Sept 30, 2020	Rate of Interest
Mahesh Makhija	373.29	12%
Rani Makhija (Prop: Queen's Marketing Services)	147.90	12%
<b>Total</b>	<b>521.19</b>	



## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors or Promoters. Our Board, in its meeting held on December 25, 2020 determined that all litigations pertaining to the company, its directors/promoters/group companies which are in the nature of criminal, statutory/regulatory and taxation related are deemed material by the Board. Further, the Board considers all other litigation pertaining to the company, its directors/promoters/group companies/subsidiaries which are above a claim amount equal to or exceeding 5% of the revenue of our Company as per the audited previous full year financial statements as material litigation (“Material Litigation”).

B. Disciplinary actions including penalty imposed by SEBI or stock exchanges against the Promoter in the last 5 (five) financial years including outstanding action.

C. (i) outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on December 25, 2020, determined that all outstanding dues owed by the Company to small scale undertaking and other creditors exceeding 5% of the revenue of our Company as per the audited previous full year financial statements are considered as material by our Board and the same will be disclosed in the Annual report of the Company. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.qmsmas.com](http://www.qmsmas.com).

Our Company, Directors and Promoter are not Wilful Defaulters.

### LITIGATION INVOLVING OUR COMPANY

### CONTINGENT LIABILITIES OF OUR COMPANY

NIL

#### A. LITIGATION AGAINST OUR COMPANY

##### 1. Criminal matters

NIL

##### 2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

##### 3. Litigation involving Tax Liabilities

###### (i) Direct Tax Liabilities

NIL

###### (ii) Indirect Taxes Liabilities

NIL

##### 4. Other Pending Litigations

NIL

---

**B. CASES FILED BY OUR COMPANY**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR DIRECTORS**

**A. LITIGATION AGAINST OUR DIRECTORS**

**1. Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR GROUP COMPANY**

**A. LITIGATION AGAINST OUR GROUP COMPANY**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR GROUP COMPANY**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(iii) Direct Tax Liabilities**

NIL

**(iv) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**Amounts owed to small scale undertakings and other creditors**

As of September 30, 2020, our Company owes the following amounts to small scale undertakings, other creditors and material creditors:

<b>Particulars</b>	<b>Number of creditors</b>	<b>Amount Involved (₹ in lakhs)</b>
Micro, Small and Medium Enterprises	-	-
Material Creditors	2	858.29
Other Creditors	52	602.02
<b>Total</b>	<b>54</b>	<b>1,460.31</b>

Details in relation to the amount owed by our Company to material creditors, small scale undertakings and other creditors as on September 30, 2020 are also available on [www.qmsmas.com](http://www.qmsmas.com).

*It is clarified that information provided on the website of our Company is not a part of this Draft Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.*

**Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date i.e. September 30, 2020.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.*

### I. APPROVALS FOR THE ISSUE

1. The Board of Directors have, by a resolution passed at its meeting held on December 04, 2020 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant Section 62(1) (c) of the Companies Act 2013, by a special resolution passed in the extra ordinary general meeting held on December 07, 2020 authorized the Issue.
3. In-principle approval dated [●] issued by the EMERGE Platform of the National Stock Exchange of India Limited (NSE) for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. The ISIN of our Company is INE0FMW01018.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

1. Certificate of Incorporation dated September 14, 2017 issued by the Registrar of Companies, Mumbai in the name of “QMS Medical Allied Services Private Limited”.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated November 6, 2020 issued by the Registrar of Companies, Mumbai pursuant to change in the name of the Company from “QMS Medical Allied Services Private Limited” to “QMS Medical Allied Services Private Limited”.
3. The Corporate Identity Number (CIN) of the Company is U17200MH2007PLC171939.

### III. TAX RELATED APPROVALS

Sr. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAACQ4954G	Income Tax Department, Government of India	September 14, 2017	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	MUMQ01292E	Income Tax Department, Government of India	March 26, 2018	Valid until cancelled
3.	Certificate of Registration issued under Maharashtra Tax on Professions, Trade Callings and Employment Act, 1975 for Company's erstwhile office situated 1A/1B, First Floor, Vijaya Bhavan 69 <sup>th</sup> Prabhat,	27231608809P	Government of Maharashtra	July 4, 2018 Effective from April 01, 2018	Valid until cancelled

	Colony Rd- 7, Santacruz (East), Mumbai, 400055.*				
4.	Certificate of Enrolment issued under Maharashtra Tax on Professions, Trade Callings and Employment Act, 1975 for Company's erstwhile office situated 1A/1B, First Floor, Vijaya Bhavan 69 <sup>th</sup> Prabhat, Colony Rd- 7, Santacruz (East), Mumbai, 400055.*	99813201109P	Government of Maharashtra	Effective from April 01, 2018	Valid until cancelled
5.	Certificate of Registration issued under Maharashtra Goods and Services Tax Act, 2017 for Company's premises situated A1 A2 /B1 B2 Plot No 16, Navkala Bharti Building, Prabhat Colony Opp Near Santacruz Bus Depot, Santacruz East, Mumbai Suburban, Maharashtra, 400055.	27AAACQ4954G1ZB	Government of India	December 06, 2017	Valid until cancelled

\* The above premises are the erstwhile registered office premises of the Company and the Company is in the process of intimating the relevant authorities to bring on record the current registered office address of the Company.

#### IV. BUSINESS RELATED APPROVALS

Sr. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Issue	Date of Expiry
1.	License under Drugs & Cosmetics Act, 1940 situated at Building-P, Gala No.-12B, 13,14 & 15, Ground Floor, House No 108, Shree Rajlaxmi Commercial Complex, Agra Road, Kalher, Bhiwandi under which the Company is licensed to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs other than those specified in Schedules C,C(1) and X of the Drugs & Cosmetics Act, 1940.	MH-TZ5-278551	Foods & Drugs Administration Maharashtra	February 17, 2020	February 16, 2025
2.	License under Drugs & Cosmetics Act, 1940 situated at Building-P, Gala No.-12B, 13,14 & 15, Ground Floor, House No 1088, Shree Rajlaxmi Commercial Complex, Agra Road, Kalher, Bhiwandi under	MH-TZ5-278552	Foods & Drugs Administration Maharashtra	February 17, 2020	February 16, 2025




	which the Company is licensed to sell, stock, or exhibit (or offer) for sale, or distribute by wholesale drugs specified in Schedules C and C(1) [excluding those specified in Schedule X] of the Drugs & Cosmetics Act, 1940.				
3.	Certificate of Importer-Exporter Code for Company's office situated at A1 A2/B1 B2, Plot No.16, Navkala Bharati Building, Prabhat Colony Opp. Near Santacruz Bus Depot, Santacruz east, Mumbai Suburban, Maharashtra, 400055	AAACQ4954G	Government of India	January 28, 2021	Valid until cancelled
4.	Certificate of Registration-UDYAM in respect of other professional, scientific and technical activities and educational support services for Company's office situated at A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.	UDYAM-MH-18-0013077	Government of India	September 24, 2020	Valid until cancelled.
5.	Udyog Aadhar Registration Certificate in respect of other professional, scientific and technical activities and educational support services for the Company's office situated at A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.	MH18D0175650	Government of India	September 14, 2017	Valid until cancelled.

The Company has also obtained a Certificate of Registration dated October 29, 2020 bearing no.820123324/ HE Ward/ COMMERCIAL II from the Municipal Corporation of Greater Mumbai under the Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017 in respect of the Company's office situated at, A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055.

## V. INTELLECTUAL PROPERTY RELATED APPROVALS

### Trademark Related Approvals

Sr. No.	Particulars of the Mark	Applicant	Trademark Registration Certificate No.	Date of Issue	Issuing Authority	Class	Status
1.		Mahesh Makhija*	3984077	May 3, 2019  Effective from October 26, 2018 for a period of 10 (ten) years	Registrar of Trademarks	10	Registered

*\*The Promoter of the Company, Mahesh Makhija has permitted the Company to utilize the above trademark under the no-objection letter dated May 10, 2019 on medical apparatus and devices, medical diagnostic, analysis and testing instruments as and when required.*

## SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

Our Board of Directors have vide resolution dated December 04, 2020 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62 (1) (c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held with a shorter notice on December 07, 2020, in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

The Offer for Sale has been authorised by the Selling Shareholder by their consent letter dated December 04, 2020 and the No. of Equity Shares offered are as follows:

Sr. No.	Name of the Selling Shareholder	No. of Equity Shares Offered
1	Mahesh Makhija	Up to 6,00,000
	<b>Total</b>	<b>Up to 6,00,000</b>

The Selling Shareholder has severally confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholder have also severally confirmed that they are the legal and beneficial owners of the Equity Shares being offered by them under the Offer for Sale

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of equity shares on the SME platform of the NSE i.e. EMERGE Platform of NSE. NSE is the designated stock exchange.

### Prohibition by SEBI or Governmental Authorities

Our Company, our Promoters, Promoter Group, our Directors and our Selling Shareholders are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any Governmental authority in any other jurisdiction or any other authority/court.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### Prohibition by RBI

Neither our Company, nor our Promoter, Selling Shareholders or Directors have been identified as a wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate of Affairs, Government of India (“MCA”), our Company, our Promoters and our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

### Association with Securities Market

We confirm that none of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “Risk factors”, “Our Promoters, Promoter Group”, “Our Group Company” and “Outstanding Litigations and Material Developments” beginning on page nos. 20, 116, 119 and 155 respectively, of this Draft Prospectus.

## Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post Issue face value capital does not exceed ten crores rupees, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. EMERGE Platform of NSE).

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Standalone and Consolidated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- Our Company was incorporated on September 14, 2017, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India.
- The Post-Issue paid up capital of the Company (face value) shall not be more than Rs. 25 Crores. The post Issue capital of our Company is Rs. 438.65 lakhs.
- Our Company has a track record of three years as on date of filing of this Draft Prospectus.
- Our Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Draft Prospectus and the net worth of our Company is positive as per the latest audited financial statements.
- Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR).
- No petition for winding up is admitted by a Court / NCLT of competent jurisdiction against our Company.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant Company.
- Our Company has a website: [www.qmsmas.com](http://www.qmsmas.com)

Our Company’s net worth and cash accruals from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Draft Prospectus for the period ended September 30, 2020 and for last three Fiscals ended March 31, 2020, 2019 and 2018 are set forth below:

(₹ in lakhs)

Particulars	For the period ended Sept 30, 2020	For the year ended March 31,		
		2020	2019	2018
Net Worth	1,611.61	940.51	305.23	1.65
Cash Accruals	940.98	907.89	440.83	0.92

<sup>(1)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> Cash accruals” has been defined as the Earnings before depreciation and tax from operations.

## Other Disclosures:

- i. We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group Company(ies), companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Prospectus.
- ii. There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. Except as mentioned in the Draft Prospectus. An auditor's certificate will be provided by the issuer to the exchange, in this regard.

- iii. We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), Group Company(ies), companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 155 of this Draft Prospectus.
- iv. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigation & Material Developments*” on page no. 155 of this Draft Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the EMERGE Platform of NSE. NSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated November 24, 2020 with NSDL and agreement dated November 24, 2020 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter and Promoter Group is in dematerialised form.
- Our Company has made firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public Issue or through existing identifiable internal accruals. For details, please refer the chapter “*Objects of the Issue*” on page no. 59 of this Draft Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors is Promoter or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoter or Directors is a wilful defaulter.
- (d) None of our Promoter or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, in accordance with Regulation 268 (1) 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 unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. 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.

## **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, ARYAMAN FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN 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 DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED SHALL FURNISH TO SEBI, A DUE DILIGENCE CERTIFICATE DATED •] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

### **Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26, 28 and 30 of the Companies Act, 2013.

### **Disclaimer from our Company, the Selling Shareholder and the Lead Manager**

Our Company, the Selling Shareholder, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

### **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, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself 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 Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements

applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause of the NSE**

As required, a copy of this Draft Prospectus has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). The disclaimer clause as intimated by NSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in 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.

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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Listing**

Application has been made to EMERGE Platform of National Stock Exchange of India Limited for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

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 National Stock Exchange of India Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on EMERGE Platform of National Stock Exchange of India Limited.



### Price Information of past issues handled by the Lead Manager

Sr. No.	Issue Name	Issue size (₹ 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	Net Pix Shorts Digital Media Ltd.	2.70	30.00	02/12/2020	30.15	0.83%	7.29%	N.A.	N.A.	N.A.	N.A.
2	Atal Realtech Ltd.	10.83	72.00	15/10/2020	70.20	-31.94%	9.42%	-53.19%	24.70%	N.A.	N.A.
3	Nirmitee Robotics India Ltd.	3.24	185.00	21/04/2020	189.00	19.46%	0.97%	35.14%	22.14%	79.86%	30.51%
4	Valencia Nutrition Ltd.	7.23	46.00	06/01/2020	46.45	0.00%	1.15%	0.00%	-32.17%	-2.17%	-11.44%
5	Vishwaraj Sugar Industries Ltd.	60.00	60.00	15/10/2019	61.20	10.83%	4.62%	50.33%	8.71%	9.75%	-19.08%
6	Galactico Corporate Services Ltd.	3.70	23.00	09/10/2019	23.20	0.00%	5.62%	6.96%	7.05%	-0.87%	-27.73%
7	Shiv Aum Steels Ltd.	15.48	44.00	01/10/2019	44.25	0.57%	4.56%	2.27%	7.89%	2.27%	-23.76%
8	Transpact Enterprises Ltd	1.35	130.00	05/09/2019	132.50	4.62%	2.81%	1.54%	11.48%	3.85%	5.40%
9	Meera Industries Ltd. <sup>(1)</sup>	11.75	225.00	26/06/2019	215.00	-6.04%	-4.32%	-17.78%	-1.25%	-45.56%	5.18%
10	Roopshri Resorts Ltd.	3.60	20.00	01/04/2019	20.25	1.25%	0.41%	1.25%	1.34%	12.00%	-0.13%

<sup>(1)</sup> Equity Shares of Meera Industries Limited was listed on May 15, 2017 on BSE Limited. Aryaman Financial Services Limited was appointed as lead manager for the Further Public Issue by the Company on BSE Limited pursuant to which its additional shares were listed on June 26, 2019.

### Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year)

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%
2020-21	3 <sup>(1)</sup>	16.77	0	1	0	0	0	2	0	0	0	1	0	0
2019-20	7 <sup>(2)</sup>	103.47	0	0	1	0	0	4	0	1	2	0	0	4
2018-19	14 <sup>(3)</sup>	327.66	0	1	1	0	1	9	1	0	2	1	1	9

<sup>(1)</sup> Details indicated in 2020-21 are for the public issues completed as on date.

<sup>(2)</sup> As on the 30th Calendar day from the listing day, the price of Galactico Corporate Services Ltd. and on 30th and 90th Calendar day from the listing day, the price of Valencia Nutrition Ltd., is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

<sup>(3)</sup> As on the 30th and 90th Calendar day from the listing day, the price of Silgo Retail Limited and on 30th Calendar day from the listing day, the price of Saketh Exim Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.

#### **Notes:**

<sup>(1)</sup> Since the listing dates of Net Pix Shorts Digital Media Limited was December 02, 2020, information related to closing price and benchmark index as on the 30<sup>th</sup> Calendar day, 90<sup>th</sup> Calendar day and 180<sup>th</sup> Calendar day from the listing date is not available.

<sup>(2)</sup> Since the listing dates of Atal Realtech Limited was October 15, 2020, information related to closing price and benchmark index as on the 180<sup>th</sup> Calendar day from the listing date is not available.

<sup>(3)</sup> The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.

<sup>(4)</sup> 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.

<sup>(5)</sup> Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) BSE Sensex and Nifty Fifty as the Benchmark Indices

#### **Track record of past issues handled by the Lead Manager**

For details regarding the track record of the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please see the website of Aryaman Financial Services Limited – [www.afsl.co.in](http://www.afsl.co.in)

#### **Stock Market Data of Equity Shares**

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

#### **Consents**

Consents in writing of: (a) The Selling Shareholder, the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisors to the Issue, Banker to the Company\*, Banker to the Issue\*, Share Escrow Agent\*, Market Maker\* and Underwriters\* to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 and 28 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, M/s. P. V. Dalal & Co., Chartered Accountants, have provided their written consent to the inclusion of their Report on Restated Financial Statements dated January 08, 2021 and Report on Statement of Tax Benefits dated January 08, 2021, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

#### **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditor namely, M/s. P V & Associates, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated January 08, 2021, and Report on Statement of Tax Benefits dated January 08, 2021, and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

## **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 50 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than for cash.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **Capital Issues in the last three (3) years by Listed Group Company(ies) / Subsidiaries / Associates**

None of our Group Company(ies) / Subsidiaries / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

## **PERFORMANCE VIS-À-VIS OBJECTS**

### **Our Company**

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

### **Listed Subsidiaries / Promoter**

None of our Subsidiaries / Promoter is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

## **DISPOSAL OF INVESTOR GRIEVANCES**

### **Mechanism for Redressal of Investor Grievances**

The Company and the Selling Shareholder has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on December 29, 2020 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Nature of Directorship	Designation in Committee
Diti Mahesh Makhija	Non-Executive Director	Chairman
Gautam Khanna	Independent Director	Member
Raju Lachhmandas Bhatia	Independent Director	Member

For further details, please see the chapter titled "*Our Management*" beginning on page no. 104 of this Draft Prospectus.

The Company has also appointed Deepali Malpani as the Company Secretary and Compliance Officer for this Issue and he may be contacted at the Registered Office of our Company. The contact details are as follows:

**Name:** Deepali Malpani

**Address:** A1 A2/B1 B2, Navkala Bharti Bldg, Plot No16, Prabhat Colony, Near Santacruz Bus Depot, Santacruz East, Mumbai-400055

**Tel No:** 022 6288 1111

**Email:** contact@qmsmas.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre- Issue or post- Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT**

For details of Investor Grievances by Listed Companies under the same Management, see the chapter "*Our Group Company*" beginning on page no. 119 of this Draft Prospectus.

## SECTION X – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of 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, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors 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 Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.*

*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 websites of the concerned stock exchanges 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.*

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning from page no. 202 of this Draft Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on page nos. 121 and 202 of this Draft Prospectus.

## Face Value and Issue Price

The Equity Shares having a face value of ₹ 10 each are being issued in terms of this Draft Prospectus at the price of [●] per Equity Share. The Issue Price is determined by our Company and Selling Shareholder, in consultation with the Lead Manager and is justified under the chapter titled "*Basis for Issue Price*" beginning on page no. 64 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## Compliance with SEBI (ICDR) Regulations, 2018

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 our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- 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 and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see "*Main Provisions of Articles of Association*" beginning on page no. 202 of this Draft Prospectus.

## Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- 1) Tripartite agreement dated November 24, 2020 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated November 24, 2020 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

The Company's shares bear ISIN INE0FMW01018.

## Market Lot and Trading Lot

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.



### **Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within eight (8) Working days of closure of Issue.

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Nomination facility to investors**

In accordance with Section 72 (1) & 72 (2) 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 (3) 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 accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ 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 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 will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

### **Withdrawal of the Issue**

Our Company and the Selling Shareholder in consultation with the Lead Manager, reserve the right not to proceed with the Fresh Issue and the Selling Shareholder reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of Offered Shares, at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the Application Amounts to the Anchor Investors, if applicable, within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Selling Shareholder, in consultation with the Lead Manager



withdraw the Issue after the Application/ Issue Closing Date and thereafter determine that they will proceed with public Issue of the Equity Shares, our Company shall file a fresh Draft Prospectus with the Stock Exchanges.

### Issue Program

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSSES ON</b>	[●]

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds / unblocking of funds from ASBA Account	[●]
Credit of Equity Shares to demat account of the Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the 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 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, 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.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issues, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Selling Shareholder nor the Lead Manager are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of

the Issue through the Offer Document including devolvement of Underwriters, 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 eight (8) days, after our Company become 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 as prescribed under the SEBI Regulations, the Companies Act, 2013 and applicable laws.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not 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 application law of such jurisdiction.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares. 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 NSE.

### **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.

### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, 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.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

The lock-in of the pre- Issue capital of our Company as provided in “*Capital Structure*” beginning on page no. 50 of this Draft Prospectus and except as provided in our 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, see “*Main Provisions of the Articles of Association*” beginning on page no. 202 of this Draft 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **New Financial Instruments**

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

## **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the EMERGE Platform of NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of NSE from the EMERGE Platform of NSE on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the Company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **Market Making**

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of NSE 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 EMERGE Platform of NSE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page no. 42 of this Draft Prospectus.

## ISSUE STRUCTURE

This issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities 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 NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 173 and 182 respectively, of this Draft Prospectus.

### Issue Structure

Initial Public Issue of upto 12,24,000 Equity Shares for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs consisting of a Fresh Issue of upto 6,24,000 Equity Shares aggregating up to ₹ [●] Lakhs by our Company and an Offer for Sale of 6,00,000 Equity Shares aggregating up to ₹ [●] Lakhs by the Promoter Selling Shareholder.

The Issue comprises a reservation of upto 62,400 Equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of upto 11,61,600 Equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 27.90% and 26.48%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	Upto 11,61,600 Equity Shares	Upto 62,400 Equity Shares
Percentage of Issue Size available for Allocation	94.90 % of the Issue Size	5.10% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. <sup>(1)</sup>  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).	
Mode of Allotment	Compulsorily in dematerialised form.	
Minimum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds ₹ 2,00,000.  <i>For Retail Individuals Investors:</i>  [●] Equity Shares	Upto 62,400 Equity Shares
Maximum Application Size	<i>For Other than Retail Individual Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Size does not exceed 11,61,600 Equity Shares, subject to applicable limits to the Applicant.  <i>For Retail Individuals Investors:</i>  Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed ₹ 2,00,000.	Upto 62,400 Equity Shares

Particulars	Net Issue to Public	Market Maker Reservation Portion
Trading Lot	[●] Equity Shares	[●] Equity Shares. However the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Who can Apply <sup>(2)</sup>	<p><i>For Other than Retail Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Retail Individuals Investors:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>	Market Maker
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

<sup>(1)</sup> Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
  - (i) individual applicants other than retail individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

<sup>2)</sup> In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

<sup>(3)</sup> In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

## ISSUE PROGRAMME

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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 holiday)

## Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading. At the Initial Public Offering stage if the 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. For example: if the proposed price band is at 24-28 than the Lot size shall be 4,000 shares.



## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circulars issued by the SEBI, including circular 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, the circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, the circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular SEBI/HO/CFD/DIL2/CIR/P/2019/133 dated November 8, 2019 and the circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (the “General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Applicants 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 Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/ 2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries were 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, with respect to Applications by RIIs 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 Application with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, pursuant to SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II was extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs (“UPI Phase III”), as may be prescribed by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, the Promoter Selling Shareholder and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Application are submitted in accordance with applicable laws and do not exceed the investment limits or



maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the 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 up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications 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 the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum 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 Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism) shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI Mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Applicants may participate in the Issue through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RIIs using the UPI mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic Applying system of the Stock Exchange. Stock Exchange shall validate the electronic Applications with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Application details already uploaded

For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange applying platform, and the liability to compensate RIIs (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 the 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 the Issue. The LM 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.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. 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) 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 in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with 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 Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Who Can Apply?**

In addition to the category of Applicants set forth in the *General Information Document*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and/or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and polices applicable to them.

### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP**

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Issue.

### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company’s paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

## **APPLICATION by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals.

## **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (white in colour).

## **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

## **APPLICATION BY FPI AND FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange In India, as its underlying) directly or indirectly, only in the event (i) such offshore derivate instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent except where pre - approval is provided.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS(VCF) AND FOREIGN VENTURE CAPITAL INVESTORS(FVCI)**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company, the Selling Shareholder or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company, in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.



## APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

- a. Equity shares of a company: the lower of 10%<sup>(1)</sup> of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ or 10% of investment assets in case of a general insurer or a 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 a 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 respective fund of a life insurer or a reinsurer or health insurer general insurance or 15% of the investment assets, 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 points (i), (ii) or (iii) above, as the case may be.

*<sup>(1)</sup> The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000 million or more but less than Rs. 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

## APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

## APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company, in consultation with the Lead Manager, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

## APPLICATIONS BY BANKING COMPANIES

In case of Applications 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 Application Form, failing which our Company, in consultation with the Lead Manager, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“Banking Regulation Act”), and the Reserve Bank of India (“Financial Services provided by Banks”) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of

such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

## **APPLICATIONS BY SCSBS**

SCSBSs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBSs 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 SCSBSs. 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.

## **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force 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 ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable ), 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, as applicable, must be lodged along with the Application Form. Failing this, our Company, in consultation with the Lead Manager reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the Lead manager, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

*The above information is given for the benefit of the Applicants. The Company, Selling Shareholder and the 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 Draft 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.*

## **Participation by associates and affiliates of the Lead Manager**

The Lead Manager shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis.

## **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.



## Signing of the Underwriting Agreement and the RoC Filing

- a) Our Company, the Lead Manager, the Selling Shareholder and the Market Maker have entered into an Underwriting Agreement on [●].
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page no. 42 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

## FILING OF THE PROSPECTUS WITH THE ROC

Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date in terms of Section 26 of Companies Act, 2013.

## DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES DESIGNATED DATE

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

## ISSUANCE OF ALLOTMENT ADVICE

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## AVAILABILITY OF THE PROSPECTUS AND THE APPLICATION FORMS

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

## INFORMATION FOR THE APPLICANTS

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Offers*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days.

2. The relevant Designated Intermediary will enter each Application into the electronic Applying system as a separate Application and generate an acknowledgement slip (“Acknowledgement Slip”), for each price and demand option and give the same to the Applicant. Therefore, a Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the Electronic Bidding 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 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed Rs. 200,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 200,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.
5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Application(s) or lower the size of their Application(s) (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application(s) during the Issue Period and withdraw their Application(s) until Issue Closing Date.

### **Do’s:**

- 1) Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Applicants should submit their Applications through the ASBA process only;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Application Centre (except in case of electronic Applications) within the prescribed time.

Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;

- 5) If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Retail Individual Applicants, Applying using the UPI Mechanism);
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your Application;
- 9) Retail Applicants using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Application Form;
- 10) Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
- 11) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 12) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications 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 Applicants 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;
- 13) Ensure that the Demographic Details are updated, true and correct in all respects;
- 14) 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;
- 15) Ensure that the correct investor category and the investor status is indicated in the Application Form;
- 16) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 17) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 18) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 19) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;

- 20) In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Applying through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying 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 SEBI at <http://www.sebi.gov.in>);
- 21) Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Applicants would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- 22) Ensure that you have correctly signed the authorization / undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 23) Retail Applicants shall ensure that details of the Applications are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorize the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Applicant may be deemed to have verified the attachment containing the application details of the Retail Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
- 24) Retail Applicants using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;
- 25) Retail Applicants using the UPI mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner;
- 26) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 27) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 28) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not apply by another Application Form after submission of Application to the Designated Intermediary.
- 4) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- 5) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 6) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 7) Do not apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- 8) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 9) Do not apply for a Application Amount exceeding Rs. 200,000 (for Applications by Retail Individual Applicants);

- 10) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
- 11) Do not submit the General Index Register number instead of the PAN;
- 12) Do not submit incorrect details of the DP ID, Client ID and PAN 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 the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 14) Do not submit more than 1 Application Form for each UPI ID in case of Retail Applicants Applying through the Designated Intermediary using the UPI Mechanism;
- 15) If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
- 16) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 17) Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 18) Do not apply 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);
- 19) Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Applicant. Retail Individual Applicants can revise their Applications during the Offer Period and withdraw their Applicants on or before the Offer Closing Date;
- 20) Do not apply for shares more than specified by respective Stock Exchanges for each category;
- 21) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Applicants using the UPI mechanism;
- 22) Do not submit incorrect UPI ID details, if you are a Retail Applicants applying through UPI Mechanism;
- 23) Do not submit more than One Application Form per ASBA Account;
- 24) Do not submit an Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise
- 25) If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 p.m. on the Issue Closing Date;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section “*General Information Document for Investing in Public Offers – Applying in the Issue – Instructions for filing the Application Form / Application Form*” Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

### **Payment instructions**

The entire Issue Price of [●] per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants 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 Applicant.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with 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:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the draws 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.
6. Since present Issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) The 50% net Issue of shares to the Public (i.e. upto 6,15,000 Equity Shares) shall be made available for allotment to retail individual investors; and



- b) The balance net Issue of shares to the public (i.e. Upto 6,15,000 Equity Shares) shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions.
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “*Basis of Allotment*” on page no. 195 of this Draft Prospectus.

“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 the National Stock Exchange of India Limited.

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director/Authorised Signatory of the National Stock Exchange of India Limited– the Designated Stock Exchange in addition to 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, 2018.

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Offers*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without payment of the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications submitted by Retails Individual Applications submitted by Applicants using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “*Who can Apply?*” on page no. 185 of this Draft Prospectus;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;



9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 200,000
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;
15. Application by OCB.

### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated November 24, 2020 with NSDL, our Company and Registrar to the Issue;
- Tripartite agreement dated November 24, 2020 with CDSL, our Company and Registrar to the Issue;
- The Company's shares bear an ISIN: INE0FMW01018

### **DESIGNATED DATE AND ALLOTMENT**

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application Form, name and address of the SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants can contact the Compliance Officer or the Registrar 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, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs

### **Letters of Allotment or Refund Orders or Instructions to the SCSBs**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful Applications within 6 Working Days of the Issue Closing Date.

## **Mode of Refund**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

## **Interest in Case of Delay in Allotment or Refund**

The Issuer shall allot the equity shares offered to the public within the period prescribed by the Board. The Issuer may pay interest at the rate of 15% per annum in case demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within 15 Days of 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, 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 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.**

## **Undertaking by our Company**

We undertake the following:

- 1) That if our Company does not proceed with the Issue after the Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- 6) That the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 7) That allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- 8) That the confirmation of allotment of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) That no further Issue of Equity Shares shall be made till the Equity Shares offered through this Offer Document are listed or until the Application monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 11) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges

### **Undertaking by the Selling Shareholder**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholder in this Draft Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholder”. All other statements and/ or undertakings in this Draft Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholder. The Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by it pursuant to the Offer for Sale:

1. The portion of the offered Shares shall be transferred in the offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Issue, and without any objection by it and in accordance with the instructions of the Registrar to the Issue.
2. The portion of the offered Shares have been held by such Selling Shareholder for a minimum period of one year prior to the date of filing this Draft Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
3. He is the legal and beneficial owner and has full title of its respective portion of the offered Shares.
4. That he shall provide all reasonable co-operation as requested by our Company and the LM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the offered Shares.
5. He will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. He will deposit its respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.
7. He shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Application in the Issue, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Application in the Issue.
8. That he will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue, except as permitted under applicable law;

The Selling Shareholder has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of the Offer for Sale.

#### **Utilization of Fresh Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) 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;
- 2) Details of all monies utilized out of the Fresh Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Fresh Issue to the extent applicable.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, with effect from August 28, 2017 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect prior to August 28, 2017. 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 DIPP issues an updated circular.

Amidst the current pandemic caused by Covid-19, the Government of India has amended the extant FDI Policy, vide Press Note No. 3 (2020 Series). The said amendment has also been made in the Foreign Exchange Management (Non-debt Instrument) Rules, 2019. As per the aforesaid amendment a non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity 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, can invest only under the Government route. Further, in the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within this restriction/purview, such subsequent change in beneficial ownership will also require Government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI and (iv) documentation, reporting requirements and other conditions as may be specified by the RBI in consultation with the Central Government, are adhered for such transfers

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For details, see “*Issue Procedure*” on page no. 182 of this Draft Prospectus.

**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; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.**

**The above information is given for the benefit of the Applicants. Our Company, the Selling Shareholder and the 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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Application for do not exceed the applicable limits under laws or regulations.**

## SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Subject as hereinafter provided, the regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company as so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulations of 'Table F', the provisions herein shall prevail.

### Interpretation

I. (1) In these regulations—

- (a) "Act" means the (Indian) Companies Act, 1956 or the Companies Act, 2013, whichever is applicable, the rules made thereunder and any amendments thereto or re-enactments thereof from time to time.
- (b) "The seal" means the common seal of the company.
- (c) "These Articles" means these Articles of Association as originally framed or as altered from time to time.
- (d) "The Company" means **QMS MEDICAL ALLIED SERVICES LIMITED**.
- (e) "Board of Directors" or "Board" means the collective body of Board of Directors of the Company and shall include a Committee thereof.
- (f) "The Office" means the Registered Office of the Company for the time being.
- (g) "The Register" means the Register of Members to be kept pursuant to Section 88 of the Act.
- (h) "Dividend" includes any interim dividend.
- (i) "Year" means Financial Year shall have the meaning assigned thereto by Section 2(41) of the Act.
- (j) "In Writing" and "Written" shall include printing, lithography and other mode of representing or reproducing words in a visible form.
- (k) Words importing the singular number also include the plural number and vice-versa.
- (l) Words importing the masculine gender also include the feminine gender.
- (m) Words importing the Company include corporations.
- (n) "Electronic Mode" means any communication by way of electronic media like tele-conferencing, video conferencing and any other electronic media.
- (o) "Member" means a member as defined under the Act and the duly registered holder of the shares of the Company from time to time.
- (p) "The Managing Director" means the managing director for the time being of the Company.
- (q) "The Whole-Time Director" means the Whole time director for the time being of the Company.
- (r) "Independent Director" means a Director as defined under section 149(6) of the Companies Act, 2013.
- (s) "Depository" means a depository as defined in section 2(1)(e) of the Depositories Act, 1996.
- (t) "SEBI" means the Securities and Exchange Board of India.
- (u) "Security" means such security as may be defined by SEBI from time to time.
- (v) "Beneficial Owner" means a person whose name is recorded as such with a Depository.
- (w) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
- (x) "The Registrar" means the Registrar of Companies having jurisdiction over the area in which the registered office of the Company is for the time being situated.
- (y) The Key Managerial Personnel (KMP) shall the same meaning as assigned to it under section 203 of the Act.

(2) 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 regulations become binding on the Company.

### Share capital and variation of rights

II. 1. (A) The Authorized Share Capital of the Company is same as mentioned in Clause V of the Memorandum of Association, provided further that the said Authorised Share Capital shall be capable of being divided into several classes with any preferential, qualified or other rights, privileges, conditions or restrictions attached thereto whether in regard to dividend, voting, return of capital or otherwise.

(B) 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.

(C) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.

(D) The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

(a) Equity Share Capital:

(i) With voting rights; and/or

(ii) With differential rights as to dividend, voting or otherwise in accordance with the Rules; and

(b) Preference Share Capital

2. (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 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.

(iv) A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

3. (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 (2) and (3) shall mutatis mutandis apply to debentures of the Company.

(iii) The Board, may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering the same on such terms as it may think fit.

4. Except as required by law, no person shall be recognised 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 recognise (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.

5. On receipt of a request from shareholder, the Board of Directors may authorize for sub-division/ consolidation of share certificates.



6. (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.

7. (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.

8. 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 paripassu therewith.

9. (i) 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.

(ii) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to-

(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

(b) Employees under any scheme of employees' stock option; or

(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(iii) 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.

### **SWEAT EQUITY SHARES**

9A (i) Subject to the provisions of the Act and other applicable provisions, if any, the Company may with the approval of the shareholders by resolution as prescribed under the Act in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and /or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

(ii) The rights, limitations, restrictions and provisions as are for the time being applicable to equity shares shall be applicable to the sweat equity shares issued under this section and the holders of such shares shall rank pari-passu with other equity shareholders.

### **ISSUE OF DEBENTURES**

9B. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise or may be issued on the condition that they shall be convertible into shares of any denomination or with any special privileges or conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise.

## Lien

10. (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.

(iii) The fully paid shares shall be free from all lien, and that in partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

11. 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—

(a) Unless a sum in respect of which the lien exists is presently payable; or

(b) 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.

12. (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.

13. (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.

(iii) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

(iv) The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

## Calls on shares

14. (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.

(iv) Any amount of paid up in advance of calls on shares may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.

(v) The option or right to call on shares shall not be given to any person except with the sanction of the Issuer in general meetings.

15. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

16. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

17. (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.

18. (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.

(ii) 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.

19. 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.

(c) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

(d) The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

### **Transfer of shares**

20. (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.

(iii) A common form of transfer shall be used

(iv) The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever

21. The Board may, subject to the right of appeal conferred by section 58 decline to register—

- (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) Any transfer of shares on which the Company has a lien.

22. The Board may decline to recognise 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.

23. (i) 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.

(ii) The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **Transmission of shares**

24. (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.

25. (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.

26. (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.

27. (i) 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.

(ii) The provisions of these Regulations relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

### **DEMATERIALIZATION OF SHARES**

27A. (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form, pursuant to the Depositories Act, 1996 and any statutory enactments and modifications thereof.

(ii) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository in respect of any security, in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.

(iii) Where a person opts to hold a security with a Depository, the Company shall intimate the Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

(iv) All securities held by a Depository shall be dematerialized and shall be in a fungible form. Nothing contained in Section 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(v) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(vi) Save as otherwise provided in (a) above, the Depository as a registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(vii) Every person holding shares of any class in the capital of the Company and whose name is entered as beneficial owner in the records of a Depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

(viii) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(ix) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

(x) The register and index of beneficial owners maintained by a Depository under the Depositories Act, shall be deemed to be the register and index of members and security holders for the purposes of these Articles.

(xi) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(xii) Every holder of securities of the Company shall be entitled to nominate in the prescribed manner, a person to whom his securities shall vest in the event of his death, in accordance with the provisions of the Act.

### **Forfeiture of shares**

28. If a Member fails to pay any call, or instalment 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 instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. 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.

29A. (i) Neither the receipt by the Company of a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

(ii) When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

(iii) The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

(iv) A forfeited share shall be deemed to be the property of the Company.

30. 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.

31. (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.

32. (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.

(iii) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

33. (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 as 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.

33A.(i) Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

(ii) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

34. (i) 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.

(ii) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

### **Alteration of capital**

35. 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.

36. 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.

37. 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.

38. 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.

(d) Any other reserve in the nature of share capital.



### Joint Holders

38A (i) Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.

(ii) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

(iii) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

(iv) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

(v) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

(vi) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.

(vii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.

(viii) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

### Capitalisation of profits

39. (i) The Company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise 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.

40. (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**

41. 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**

42.(i) All general meetings other than annual general meeting shall be called extraordinary general meeting.

(ii) Notice of the General Meeting shall be in accordance with the provisions of the Companies Act, 2013 read with rules prescribed under the Act.

43. (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 extraordinary 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**

44. (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.

45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. 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.

46A. (i) On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

(ii) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act/Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(iii) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting –

- (a) is, or could reasonably be regarded, as defamatory of any person; or
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interests of the Company.
- (iv) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
- (v) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
- (vi) The books containing the minutes of the proceedings of any general meeting of the Company or of a resolution passed by postal ballot, shall:
- (a) be kept at the registered office of the Company; and
- (b) be open to inspection by any member without charge, during 11:00 a.m. to 1:00 p.m. on all working days other than Saturdays.
- (vii) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

(viii) The Board and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members of the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

47. 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**

48. (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**

49. 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.

50. Provisions of Section 108 shall not be applicable to the Company.

51. (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.

52. 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.

53. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

54. 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.

55. (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.

### **Proxy**

56.(i) 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.

(ii) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

58. 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**

59. (i) The number of the Directors and the names of the first Directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

(ii) The minimum number of Directors shall be two and maximum number of Directors shall be fifteen Provided that the company may appoint more than fifteen Directors after passing a special resolution in the General Body.

(iii)The first Directors of the Company shall be:

- i. Mahesh Makhija
- ii. Rani Makhija
- iii. Diti Makhija

60. (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.

61.The Board may pay all expenses incurred in getting up and registering the company.

62.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.

63.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.

64.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.

65.(i)Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a Director at that meeting subject to the provisions of the Act.

(iii)The Board of Directors may appoint any alternate director in accordance with section 161 of the Act.

64A(i)The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

(ii) The directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board:

Provided that the amount of such fee shall not exceed the amount as may be prescribed by the Act or Central Government from time to time.

(iii) The directors shall not be required to hold any qualification shares in the Company.

(iv)If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

(v)Whenever the Company/Board enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the directors shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more persons, who are acceptable to the Board, as directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors may not be liable to retire by rotation and nor be required to hold any qualification Shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

### **Powers Of The Board**

65B. (i) The Board of Directors shall exercise the following powers on behalf of the Company and it shall do so only by means of resolution passed by the Board at its meetings, subject to the modifications/changes if any, made under the provisions of the Act and the rules made there under:

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow moneys;
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statement and the Board's Report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the KMP;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of the disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital or free reserves of the investee company;
- (q) to invite or accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposits;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be; and
- (t) any other matter which may be prescribed from time to time.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in (d), (e) and (f) or such other powers as may be permitted from time to time on such conditions as the Board may prescribe, subject to the Act.

(ii) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum of Association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

### **Rotation Of Directors**

66. All the Directors on the Board shall be liable to retire by rotation in accordance with the provisions of the Act. At every Annual General Meeting of the Company, one third of such of the Directors shall retire by rotation or if their number is not three or a multiple of three, the number nearest to one third shall retire from office.

### **Proceedings of the Board**

67. (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.

68. (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.



69. 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.

70. (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.

71. (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) 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.

(iii) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

72. 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.

73. 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.

73A. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, by the Company Secretary of the Company, if any, or by any person or persons nominated by the Chairman/Managing Director/Manager, together with the necessary papers, if any, to all the directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and to all other directors or members of the Committee at their usual address in India and has been approved by such of the directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

74. 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.

75. 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.

#### **Managing Director**

75A. (i) Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint, from time to time, any of its Board member as a Managing Director or Joint Managing Director, Whole Time Director, Manager of the Company, either for a fixed term, or without any limitation as to the period for which he or they is or are to hold such office but in any case not exceeding 5 (Five) years at a time and upon such terms and conditions as the Board thinks fit, and subject to the provisions of these Articles, the Board may, by resolution, vest in such Managing Director or Joint Managing Director, Whole Time Director, Manager or Chief Executive Officer of the Company such of the



powers hereby vested in the Board generally, as it thinks fit, and such powers may be made exercisable for such period or periods; and upon such conditions and subject to such restrictions, as it may determine. The remuneration of a Managing Director, Joint Managing Director Whole Time Director, Manager or Chief Executive Officer may be by way of salary and/or allowances, commission or participation in profits or perquisites of any kind, nature or description, or by any or all of these modes, or by any other mode(s) not expressly prohibited by the Act or the Rules made thereunder, or any notification or circular issued under the Act. No person shall be appointed as Managing Director and a Manager at the same time.

(ii) The Board of Directors may from time to time entrust to and upon a Managing Director or Joint Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers, unless and until otherwise determined that a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

### **Registers**

75B(I) The statutory registers (as prescribed under the Act and the Rules, which are required to be open for inspection) and copies of annual return shall be open for inspection during 11:00 a.m. to 1:00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

(ii) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

(iii) The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

### **The Seal**

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board 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 is so affixed in their presence.

### **Dividends and Reserve**

77. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. 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.

79. (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 equalising 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, think 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.

80. (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.

81. 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.

82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board unless it becomes barred by the law.

83. 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.

84. (i) 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.

(ii) The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

(iii) No unclaimed or unpaid dividend shall be forfeited by the Board unless it becomes barred by the law.

85. No dividend shall bear interest against the Company.

#### **Accounts**

86. (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.

#### **Notice And Service Of Documents**

86A. (i) (a) It shall be imperative on every member to notify to the Company for registration of his place of address in India and if he has no registered address within India to supply to the Company an address within India for giving of notices to him.

(b) A member may notify his email address if any, to which the notices and other documents of the company shall be served on him by electronic mode.

(c) The Company's obligation shall be satisfied when it transmits the email and the company shall not be responsible for failure in transmission beyond its control.

(ii) Subject to Section 20 of the Act, a document may be served by the Company on any member thereof by sending it to him by post or by registered post or by speed post or by courier or by delivering at his address (within India) supplied by him to the company for the service of notices to him or by such electronic or other mode as may be

specified in the Act and the relevant Rules. The term courier means person or agency who or which delivers the document and provides proof of its delivery.

(iii) Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by any and every notice and other document in respect of such share which previous to his name and address being entered upon the register shall have been duly given to the person from whom he derives his title to such share.

(iv) Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given, if given by advertisement, once in English and once in a vernacular daily newspaper circulating in the city, town or village in which the registered office of the Company is situate.

Provided, however, that such notice shall not be in contravention with any provisions of the Act or rules thereunder.

(v) Any notice or document served in the manner hereinbefore provided shall notwithstanding such member be then dead and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service, for all purposes of these presents be deemed a sufficient service of such notice or documents on his heirs, executors, administrators and all person (if any) jointly interested with him in any such shares.

(vi) Any notice given by the Company shall be signed (digitally or electronically) by a Director or by the Secretary or some other officer appointed by the Directors and the signature thereto may be written, facsimile, printed, lithographed, Photostat.

(vi) A document may be served on the Company or on an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post or by Registered Post or by leaving it at its Registered Office, or by means of such electronic mode or other mode as may be specified in the Act and the relevant Rules.

### **Borrowing Powers**

87. (i) Subject to section 73, 179 & 180 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 including unsecured loans. The Directors may secure the repayment of such money in such manner and upon such terms and conditions in all respects as they think fit by issue of debenture and debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

(ii) The Board shall cause a proper Register to be kept in accordance with the provisions of the Act, of all mortgages, Debentures and charges specifically Register of mortgage etc., to affecting the property of the Company including all floating charges on current assets of the Company and fixed charges on the undertaking or any property of the Company, and shall cause the requirements of the Act in that behalf to be duly complied with so far as they fall to be complied with by the Board.

### **Board To Appoint Attorneys**

88. The Board of Directors may at any time and from time to time by Power of Attorney, appoint any person or persons to be the Attorney or Attorneys of the company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these presents) and for such periods and subject to such conditions as the directors may from time to time think fit and any such appointment (if the directors think fit) be made in favour of any company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such attorneys as the directors may think fit, and may contain powers enabling such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

### **Secrecy**

89.(i) Every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant and Accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of

accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.

(ii) No shareholder or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter, whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

### **Winding up**

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

91. (i) 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.

(ii) Subject to the provisions of the Act, every director, Managing Director, Manager, Company Secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, Managing Director, Manager, Company Secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, Managing Director, Manager, Company Secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

### **General Authority**

92. Wherever in the Companies Act, 2013, it has been provided that any company shall have any right, privilege or authority or that any company cannot carry out any transaction unless it is so authorised by its Articles, then and in that case this Article hereby authorizes and empowers this Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Companies Act, 2013, without there being any other specific Article in that behalf herein provided.

## SECTION XII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to here under, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Prospectus until the Bid/Issue Closing Date.

Any of the contracts or documents mentioned in this Draft 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 and other applicable law.

#### A. Material Contracts

- 1) Memorandum of Understanding dated December 23, 2020 between our Company, the Selling Shareholder and the Lead Manager.
- 2) Memorandum of Understanding dated December 24, 2020 between our Company, the Registrar to the Issue and Selling Shareholder.
- 3) Escrow Agreement dated [●] between our Company, the Selling Shareholder, the Lead Manager, Escrow Collection Bank(s) / Sponsor Bank and the Registrar to the Issue.
- 4) Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker.
- 5) Underwriting Agreement dated [●] between our Company, the Selling Shareholder, the Lead Manager and the Market Maker.
- 6) Share Escrow Agreement dated [●] between the Selling Shareholder, our Company, the Lead Manager and the Share Escrow Agent.
- 7) Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated November 24, 2020.
- 8) Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated November 24, 2020.

#### B. Material Documents

- 1) Certified true copies of the updated Memorandum and Articles of Association of our Company, as amended from time to time.
- 2) Copy of Certificate of Incorporation dated September 14, 2017 issued under the name QMS Allied Medical Services Private Limited by Registrar of Companies.
- 3) Copy of Fresh Certificate of Incorporation dated November 06, 2020 issued by Registrar of Companies consequent to name change from QMS Allied Medical Services Private Limited to QMS Allied Medical Services Limited pursuant to the conversion of our Company into a Public Limited Company.
- 4) Resolution of the Board of Directors dated December 04, 2020 in relation to the Issue.
- 5) Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on December 07, 2020 in relation to the Issue.
- 6) Statutory Auditor's report for Restated Financials dated January 08, 2021 included in this Draft Prospectus.
- 7) The Statement of Tax Benefits dated January 08, 2021 from our Statutory Auditors included in this Draft Prospectus.

- 8) Consents of our Directors, Selling Shareholders, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker(s) to the Company\*, Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Share Escrow Agent\*, Banker to the Issue\*, Underwriters\* and Market Maker\* to act in their respective capacities.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

- 9) Due Diligence Certificate(s) dated [●] to SEBI by the Lead Manager.
- 10) Approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of Equity Shares on the EMERGE Platform of the NSE.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in the Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

SD/-

\_\_\_\_\_  
**Mahesh Makhija**  
Chairperson & Managing Director

SD/-

\_\_\_\_\_  
**Guddi Makhija**  
Whole-time Director

SD/-

\_\_\_\_\_  
**Diti Makhija**  
Non-Executive Director

SD/-

\_\_\_\_\_  
**Gautam Khanna**  
Non-Executive Independent Director

SD/-

\_\_\_\_\_  
**Raju Bhatia**  
Non-Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

SD/-

\_\_\_\_\_  
**Sejal Mhatre**  
Chief Financial Officer

SD/-

\_\_\_\_\_  
**Deepika Malpani**  
Company Secretary and Compliance Officer

**Date:** January 29, 2021

**Place:** Mumbai



### **DECLARATION BY SELLING SHAREHOLDER**

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made in this Draft Prospectus about or in relation to himself and the Equity Shares being offered by it in the Offer are true and correct, provided however, that the undersigned Selling Shareholder assumes no responsibility for any of the statements or undertakings made by the Company or any expert or any other person(s) in this Draft Prospectus.

### **SIGNED BY THE SELLING SHAREHOLDER**

SD/-

---

**Mahesh Makhija**

**Date:** January 29, 2021

**Place:** Mumbai