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Prospectus  
Dated: September 01, 2023  
Please read section 26 and 32 of the Companies Act, 2013  
100% Book Built Offer



## MONO PHARMACARE LIMITED

Corporate Identification Number: U24304GJ2022PLC136193

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
1A, Krinkal Apartment Opp. Mahalaxmi Temple, Paldi Ahmedabad -380007, Gujarat	NA	Krupali Thakkar, Company Secretary and Compliance Officer	<a href="mailto:cs@monopharmacareltd.com">cs@monopharmacareltd.com</a> & +91 99780 41356	<a href="http://www.monopharmacareltd.com">www.monopharmacareltd.com</a>
<b>NAME OF PROMOTERS OF THE COMPANY</b>				
PANILAM LAKHATARIYA AND SUPAL LAKHATARIYA				
<b>DETAILS OF ISSUE TO PUBLIC</b>				
Type	Fresh Issue Size	OFS* (by no. of share or by amount in ₹)	Total Size	Eligibility & Share Reservation among NII & RII
Fresh Issue	53,00,000 Equity Shares aggregating ₹ 1,484.00 Lakhs	Nil	₹ 1,484.00 Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 221.
<b>*OFS: Offer for Sale</b>				
<b>DETAILS OF OFS BY PROMOTERS/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS - NA</b>				
<b>RISKS IN RELATION TO THE FIRST ISSUE</b>				
This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are 2.6 times and 2.8 times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI ICDR Regulations, and as stated in "Basis for Issue Price" beginning on page 79) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
<b>GENERAL RISK</b>				
Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Prospectus.				
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer document contains all information with regard to the issuer and the Issue which is material in the context of the Issue, that the information contained in the offer document 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.				
<b>LISTING</b>				
The Equity Shares of our Company issued through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated June 09, 2023 from National Stock Exchange of India Limited for using its name in the Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.				
<b>DETAILS OF BOOK RUNNING LEAD MANAGER</b>				
NAME OF BOOK RUNNING LEAD MANAGER	CONTACT PERSON		TELEPHONE AND EMAIL	
 UNISTONE	UNISTONE CAPITAL PRIVATE LIMITED Brijesh Parekh		+91 98200 57533 <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a>	
<b>DETAILS OF REGISTRAR TO THE ISSUE</b>				
NAME OF REGISTRAR	CONTACT PERSON		TELEPHONE & E-MAIL	
BIGSHARE SERVICES PRIVATE LIMITED	Swapnil Kate		+91 22-6263 8200 <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a>	
<b>BID/ISSUE PERIOD</b>				
Bid/Issue Opens on: Monday, August 28, 2023			Bid/Issue Closes on <sup>(1)</sup> : Wednesday, August 30, 2023	

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## MONO PHARMACARE LIMITED

**Corporate Identification Number: U24304GJ2022PLC136193**

*Our company was originally formed as a partnership firm in the name and style of "M/s. Mono Chemist" through partnership deed dated May 06, 1994. Further, the partnership firm was then converted into Public Limited company under part 1 (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited vide Certificate of Incorporation dated October 17, 2022, was issued by the Registrar of Companies, Ahmedabad. The corporate identification number of our Company is U24304GJ2022PLC136193. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on page 51 and 125 respectively of this Prospectus.*

**Registered office:** 1A, Krinkal Apartment Opp. Mahalaxmi Temple, Paldi Ahmedabad -380007, Gujarat

**Tel:** +91-99780 41356; **E-mail:** [cs@monopharmacareLtd.com](mailto:cs@monopharmacareLtd.com); **Website:** [www.monopharmacareLtd.com](http://www.monopharmacareLtd.com);

**Contact Person:** Krupali Thakkar, Company Secretary and Compliance Officer

### PROMOTERS OF THE COMPANY: PANILAM LAKHATARIYA AND SUPAL LAKHATARIYA

**INITIAL PUBLIC ISSUE OF 53,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF MONO PHARMACARE LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹ 28 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 18 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 1,484.00 LAKHS OF WHICH UP TO 2,76,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 28 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF 18 PER EQUITY SHARE AGGREGATING TO ₹ 77.28 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 50,24,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 28 PER EQUITY SHARE AGGREGATING TO ₹ 1,406.72 IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.00% AND 28.43% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS 2.8 TIMES THE FACE VALUE OF THE EQUITY SHARES.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL ENGLISH EDITIONS OF THE BUSINESS STANDARD (WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL HINDI EDITIONS OF BUSINESS STANDARD (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND GUJARATI EDITION OF LOKSATTA JANSATTA (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF AHMEDABAD, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE.**

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 10.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"). Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 45.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 45.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" on page 225.

### RISK IN RELATION TO THE FIRST ISSUE

**This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10.00. The Issue Price, Floor Price or the Price Band 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 active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.**

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page 28 of this Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer document contains all information with regard to the issuer and the Issue which is material in the context of the Issue, that the information contained in the offer document 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

### LISTING

The Equity Shares issued through the Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principal Approval letter dated June 09, 2023 from NSE for using its name in this offer document for listing of our shares on the EMERGE platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

### BOOK RUNNING LEAD MANAGER



**UNISTONE**

**UNISTONE CAPITAL PRIVATE LIMITED**

A/305, Dynasty Business Park, Andheri Kurla Road, Andheri East, Mumbai 400059, Maharashtra, India

**Telephone:** +91 98200 57533

**Email:** [mb@unistonecapital.com](mailto:mb@unistonecapital.com)

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

**Investor grievance email:** [compliance@unistonecapital.com](mailto:compliance@unistonecapital.com)

**Contact Person:** Brijesh Parekh

**SEBI registration number:** INM000012449

**CIN:** U65999MH2019PTC330850

### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED**

S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East),

Mumbai -400 093, Maharashtra, India

**Telephone:** 022-6263 8200

**Facsimile:** 022-6263 8299

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

**Investor grievance email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Contact Person:** Swapnil Kate

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

**SEBI Registration Number:** INR000001385

**CIN:** U99999MH1994PTC076534

### BID/ISSUE PERIOD

**Bid/Issue Opens on:** Monday, August 28, 2023

**Bid/Issue Closes on<sup>(1)</sup>:** Wednesday, August 30, 2023

## Index

<b>SECTION I – GENERAL</b> .....	<b>2</b>
DEFINITIONS AND ABBREVIATIONS .....	2
CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA .....	19
FORWARD LOOKING STATEMENTS .....	21
<b>SECTION II – SUMMARY OF OFFER DOCUMENT</b> .....	<b>22</b>
<b>SECTION III – RISK FACTORS</b> .....	<b>28</b>
<b>SECTION IV: INTRODUCTION</b> .....	<b>47</b>
THE ISSUE .....	47
SUMMARY OF FINANCIAL INFORMATION .....	48
GENERAL INFORMATION .....	51
CAPITAL STRUCTURE .....	61
OBJECTS OF THE ISSUE.....	74
BASIS FOR ISSUE PRICE .....	79
STATEMENT OF POSSIBLE TAX BENEFITS .....	86
<b>SECTION V – ABOUT THE COMPANY</b> .....	<b>94</b>
INDUSTRY OVERVIEW .....	94
OUR BUSINESS .....	103
KEY INDUSTRY REGULATIONS AND POLICIES .....	118
HISTORY AND CERTAIN CORPORATE MATTERS .....	125
OUR MANAGEMENT .....	132
OUR PROMOTERS AND PROMOTER GROUP .....	144
OUR GROUP COMPANY .....	149
DIVIDEND POLICY .....	150
<b>SECTION VI – FINANCIAL INFORMATION</b> .....	<b>151</b>
RESTATED CONSOLIDATED FINANCIAL STATEMENTS .....	151
OTHER FINANCIAL INFORMATION .....	177
CAPITALISATION STATEMENT .....	178
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....	179
FINANCIAL INDEBTEDNESS .....	186
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b> .....	<b>189</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	189
GOVERNMENT AND OTHER KEY APPROVALS .....	194
<b>SECTION VIII-OTHER REGULATORY AND STATUTORY DISCLOSURES</b> .....	<b>200</b>
<b>SECTION IX – ISSUE RELATED INFORMATION</b> .....	<b>212</b>
TERMS OF THE ISSUE .....	212
ISSUE STRUCTURE .....	221
ISSUE PROCEDURE .....	225
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	260
<b>SECTION X-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION</b> .....	<b>263</b>
<b>SECTION XI – OTHER INFORMATION</b> .....	<b>285</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	285
DECLARATION .....	287

**SECTION I – GENERAL  
DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute, regulation, rule, guidelines, circular, notification or clarification or policies will include any amendments or re-enactments thereto, from time to time.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Basis for Issue Price*”, “*Key Regulations and Policies in India*”, “*Financial Information*”, “*Outstanding Litigation and Other Material Developments*” and “*Issue Procedure*”, Will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the Conventional or General Information Document (as defined below), the definitions given below shall prevail. The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the notified provisions of the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

**Conventional or General Terms**

<b>Terms</b>	<b>Description</b>
“MPL”, “Mono Pharmicare”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Unless the context otherwise requires, refers to “Mono Pharmicare Limited”, a Company originally incorporated under the Companies Act, 2013 vide a Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.
Our Promoters	The Promoters of our Company, namely, Panilam Lakhatariya and Supal Lakhatariya.
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 Promoters and Promoter Group</i> ” on page 144 of this Prospectus.

**Company Related Terms**

<b>Terms</b>	<b>Description</b>
AOA / Articles of Association	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations vide Board resolution dated March 23, 2023.
Auditor or Statutory Auditor or Peer Review Auditor	The statutory and peer review auditor of our Company, namely M/s. Kumbhat & Co., Chartered Accountants.
Bankers to our Company	The Cosmos Co. Op. Bank Limited as disclosed in the section titled “ <i>General Information</i> ” beginning on page 51 of this Prospectus.
Board of Directors / the Board / our Board	The director(s) on our Board, as duly constituted from time to time, including any committee(s). For further details of our Directors, please refer to section

Terms	Description
	titled “ <i>Our Management</i> ” beginning on page 132 of this Prospectus.
Chairman	Chairman of the Board, as described in “ <i>Our Management</i> ” on page 132.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Neha Prajapati.
CIN	Corporate Identification Number of our Company U24304GJ2022PLC136193
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company being Krupali Thakkar.
Director(s)	The director(s) on our Board.
Equity Shares/Shares	Equity Shares of the Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the NSE Emerge Platform.
Group Company	Our group company, as disclosed in the section “ <i>Our Group Company</i> ” on page 149
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being: INE00IP01012
Key Managerial Personnel/Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as described in section entitled “ <i>Our Management</i> ” on page 132 of this Prospectus.
MD or Managing Director	The Managing Director of our Company being Panilam Lakhatariya.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board at its meeting held on March 23, 2023, in accordance with the requirements of the SEBI ICDR Regulations for the purposes of disclosure in the offer documents.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations vide Board resolution dated March 23, 2023.
Non- Executive Director	A Director not being an Executive Director or an Independent Director.
NRI / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.

<b>Terms</b>	<b>Description</b>
Registered Office of our Company	1A, Krinkal Apartment Opp. Mahalaxmi Temple, Paldi, Ahmedabad - 380007, Gujarat, India.
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act
RoC / Registrar of Companies	Registrar of Companies, Ahmedabad, Gujarat located at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.
Restated Financial Statements or Restated Financial Information or Financial Information or Restated Consolidated Financial Statements	The restated Financial Statements of our Company for the period ended October 16, 2022 and for the period ended March 31, 2023, March 31, 2022 and March 31, 2021, which comprises the restated balance sheet, the restated statement of profit and loss and the restated 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, as amended and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India, as amended.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations/ICDR Regulations/Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including amendments, instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Foreign Venture Capital Investor) Regulations	Securities Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015 / SEBI Listing Regulations / Listing Regulations / SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (PFUTP) Regulations / PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Stakeholders	The holders of the Equity Shares from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations vide Board resolution dated March 23, 2023.
Stock Exchange	Unless the context requires otherwise, refers to, Emerge platform of National Stock Exchange of India Limited.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscribers to MOA	Initial Subscribers to the MOA & AOA being Supal Lakhatariya, Panilam Lakhatariya, Archit Shah, Pallaviben Shah, Shardaben Lakhataria, Shivam Chauhan and Shivilal Lakhataria

## Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
Applications Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder	All Bidders
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Hyderabad.
Banker to the Issue/ Public Issue Bank/ Refund Banker	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being Kotak Mahindra Bank Limited.
Public Issue Account and Sponsor Bank Agreement/ Banker to the Issue Agreement	Agreement dated August 22, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “ <i>Issue Procedure</i> ” on page 225 of this Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as

<b>Terms</b>	<b>Description</b>
	permitted under the SEBI ICDR Regulations in terms of the Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bidder	Any investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form, and unless otherwise stated or implied.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Prospectus.
Bid Lot	4000 Equity Shares and in multiples of 4000 Equity Shares thereafter
Bid/ Issue Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located), each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue, namely Unistone Capital Private Limited (“Unistone”).
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, i.e. ₹ 28 per Equity Share, above which the Issue Price will not be finalised and above which no Bids will be accepted,

Terms	Description
	including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement/ Public Issue Account and Sponsor Bank Agreement	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for <i>inter alia</i> , the appointment of the Sponsor Bank in accordance, transfer of funds to the Public Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. <i>CIR/CFD/POLICYCELL/11/2015</i> dated <i>November 10, 2015</i> , issued by SEBI
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ) and updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the 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(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stockbroker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>

<b>Terms</b>	<b>Description</b>
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA 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 Intermediaries <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.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (SME Platform of NSE i.e. NSE EMERGE)
DP ID	Depository Participant's Identity.
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated April 11, 2023, filed with SEBI and Stock Exchange and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue, and includes any addenda or corrigenda thereto.
Eligible NRI(s)	A Non-Resident Indian in a jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Prospectus will constitute an invitation to subscribe for the Equity Shares.
Eligible QFI(s)	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depository participants.
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being Kotak Mahindra Bank Limited.
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, i.e., ₹ 26 subject to any revision(s) thereto, at or above which the Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares.
Equity Shares	Equity Shares of our Company of face value ₹10 each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Fresh Issue	Fresh issue of 53,00,000 Equity Shares aggregating up to ₹ 1,484.00 lakhs to be issued by company pursuant to the Issue.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended from time to time.

Terms	Description
Foreign 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.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI / HO / CFD / DIL1 / CIR / P / 2020 / 37 dated March 17, 2020 and the circular no. SEBI / HO / CFD / DIL2 / CIR / P / 2020 / 50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the website of the Stock Exchange and Book Running Lead Manager.
Gross Proceeds	The total Issue Proceeds to be raised pursuant to the Issue.
Issue / Public Issue / Issue size/ Initial Public Issue / Initial Public Issuing / IPO	The issuance of 53,00,000 Equity Shares at ₹ 10 per Equity Share (including a share premium of ₹ 18 per Equity Share) aggregating up to ₹ 1,484.00 lakhs by our Company.
Issue Agreement	The Agreement dated April 11, 2023 entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	₹ 28 per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders. The Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date and in terms of the Prospectus.
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 74 of this Prospectus.
Lot Size	The Market lot and Trading lot for the Equity Share is 4000 and in multiples of 4000 thereafter; subject to a minimum allotment of 4000 Equity Shares to the successful applicants.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
Market Maker	Member Brokers of NSE who are specifically registered as Market Maker with the NSE Emerge Platform. In our case, Rikhav Securities Limited
Market Making Agreement	The Market Making Agreement dated August 16, 2023 between our Company and Market Maker
Market Maker Reservation Portion	The reserved portion up to 2,76,000 Equity Shares of ₹ 10 each at an Issue price of ₹ 28 each aggregating to ₹ 77.28 lakhs to be subscribed by Market Maker in this issue.
Minimum Promoter’s 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 promoter’s contribution 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="http://www.sebi.gov.in">www.sebi.gov.in</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.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) 50,24,000 equity Shares of ₹ 10 each at a price of ₹ 28 per Equity Share (the “Issue Price”), including a share premium of ₹ 18 per equity share aggregating to ₹ 1,406.72 Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 74 of this Prospectus.
Non-Institutional	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual

<b>Terms</b>	<b>Description</b>
Investors / Applicant	Investors 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
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
NSEIL/ NSE	National Stock Exchange of India Limited
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions.
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, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 3, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Price Band	<p>Price band of a minimum price of ₹ 26 per Equity Share (Floor Price) and the maximum Price of ₹ 28 per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price.</p> <p>The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their website.</p>
Prospectus	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Issue Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date.
QIB Portion	The portion of the Issue being not more than 10 % of the Issue or 5,00,000 Equity Shares, available for allocation to QIBs on a proportionate basis subject to valid Bids being received at or above the Issue Price.
Qualified	Non-resident investors other than SEBI registered FIIs or sub-accountants or

<b>Terms</b>	<b>Description</b>
Foreign Investor/ QFIs	SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be issued and the size of the Issue, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount shall be made.
Refund Bank(s)/ Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being Kotak Mahindra Bank Limited.
Registrar/ Registrar to the Issue/ RTA/ RTI	Bigshare Services Private Limited having its office at S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai –400 093, Maharashtra, India.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/ RII	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portion	The portion of the Issue being not less than 45% of the Issue consisting of 22,64,000 Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Registered Broker	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. <i>CIR/CFD/14/2012</i> dated <i>October 04, 2012</i> , issued by SEBI.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Securities Law	In accordance with Regulation 2(1)(ccc), the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, which issue the facility of ASBA 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="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at

Terms	Description
	<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
SME Exchange/ SME Platform	The SME Platform of NSE i.e. NSE EMERGE for listing equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Specified securities	The equity shares issued through this Prospectus
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries (other than Book Running Lead Manager) registered with SEBI who are permitted to accept bids, application and place orders with respect to the Issue and carry out activities as an underwriter namely, Rikhav Securities Limited.
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Member.
Systemically Important Non-Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter	Unistone Capital Private Limited
Underwriting Agreement	The Agreement dated August 16, 2023 entered between the Underwriters and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 2,00,000 and up to ₹ 5,00,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism  Pursuant to Circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/P/2022/45</i> dated <i>April 05, 2022</i> issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Circulars	The SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2018/138</i> dated <i>November 01, 2018</i> read with SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/50</i> dated <i>April 03, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated <i>June 28, 2019</i> , SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated <i>July</i>

Terms	Description
	26, 2019, SEBI circular no. <i>SEBI/HO/CFD/DCR2/CIR/P/2019/133</i> dated November 08, 2019, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2020/50</i> dated March 30, 2020, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M</i> dated March 16, 2021, SEBI circular no. <i>SEBI/HO/CFD/DIL1/CIR/P/2021/47</i> dated March 31, 2021, SEBI circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/2021/570</i> dated June 02, 2021, <i>SEBI/HO/CFD/DIL2/CIR/P/2022/45</i> dated April 05, 2022, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2022/51</i> dated April 20, 2022 and SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/2022/75</i> dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mandate Request	In accordance with SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated June 28, 2019 and SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time.
UPI Mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue.
UPPIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations.
Working Day	The days on which commercial banks in Mumbai and Ahmedabad 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, including the UPI Circulars.

### Technical and Industry Related Terms & Abbreviations

Terms	Full Form
AIIMS	All India Institute of Medical Sciences
ADL	Analytical Development Laboratory
AIDS	Acquired Immune Deficiency Syndrome
AMC	Ahmedabad Medical Corporation
API	Active Pharmaceutical Ingredient
AYUSH	Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homeopathy.
AI	Artificial Intelligence
BCG	Bacille Calmette-Guérin (Tuberculosis)
CAD	Current account deficit

<b>Terms</b>	<b>Full Form</b>
CAGR	Compound Annual Growth Rate
CARE	Credit Analysis & Research Limited
CDMC	Central Drugs Standards Control Organization
DHA	Docosahexaenoic acid
DI	Drug Intermediates
DoP	Department of Pharmaceuticals
DIPP	Department of Industrial Policy and Promotion
DMARDs	Disease-Modifying Antirheumatic Drugs
DMFs	Drug Master Files
DPT	Diphtheria, pertussis (whooping cough) and tetanus.
EY	Ernst & Young
EPCG	Export Promotion Capital Goods
EU	European Union
FICCI	Federation of Indian Chambers of Commerce & Industry
FCNR	Foreign Currency Non-Resident
FDA	Food and Drug Administration
GDP	Gross Domestic Product
GMP	Good Manufacturing Practice
GST	Goods and Services Tax
H1FY	First Half of Fiscal Year
HMG-CoA	Hydroxymethylglutaryl-coenzyme A reductase inhibitor
IMF	International Monetary Fund
IPA	Indian Pharmaceutical Association
ISO	International Organization for Standardization
IU	International Unit
KOL	Key Opinion Leader
KSM	Key Starting Materials
MG	Milligram
MLHW	Ministry of Labor Health and Welfare
MOQ	Minimum Order Quantity
NHP	National Health Policy
NPPA	National Pharmaceuticals Pricing Authority
NSAIDs	Non-Steroidal Anti-Inflammatory Drugs
OMS	Opsoclonus-Myoclonus Syndrome
OSD	Oral Solid Dosage
OTC	Over the Counter
PDE	Phosphodiesterase inhibitors
SDLLP	Supal Distributors LLP
SPARC	Sun Pharma Advanced Research Company
WHO	World Health Organisation
WHOGMP	World Health Organization Good Manufacturing Practice
Y-o-Y	Year Over Year

### **Conventional and General Terms or Abbreviations**

<b>Abbreviation</b>	<b>Full Form</b>
A/c	Account
Act or Companies Act	The Companies Act, 1956, as amended from time to time and/ or the Companies Act, 2013, with the amendments thereto to the extent applicable.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981
ACIT	Assistant Commissioner of Income Tax
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount

<b>Abbreviation</b>	<b>Full Form</b>
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. Com	Bachelor of Commerce
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CS & CO	Company Secretary and Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2015) dated May 12, 2015 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/ Financial	Period of twelve months ended March 31 of that particular year, unless

<b>Abbreviation</b>	<b>Full Form</b>
Year	otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
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
Foreign Portfolio Investor or FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR	Indian National Rupee
IIP	Index of Industrial Production
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Issue
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
INR / Rs./ Rupees/₹	Indian Rupees, the legal currency of the Republic of India
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
NA	Not Applicable
Net-worth	The aggregate of paid-up Share Capital and Share Premium account and

<b>Abbreviation</b>	<b>Full Form</b>
	Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Prospectus
NRI / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
P.A.	Per Annum
PF	Provident Fund
PG	Post-Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Production Linked Incentive
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Quarter	A period of 3 (three) continuous months.
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934.
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended from time to time.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure

Abbreviation	Full Form
Regulations, 2015	Requirements) Regulations, 2015.
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited (SME Segment).
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
-, ()	Represent outflow

Notwithstanding the following:

In the section titled “*Main Provisions of the Articles of Association*” beginning on page 263 of the Prospectus, defined terms shall have the meaning given to such terms in that section.

In the section titled “*Financial Information*” beginning on page 151 of the Prospectus, defined terms shall have the meaning given to such terms in that section;

In the Chapter titled “*Statement of Possible Tax Benefits*” beginning on page 86 of the Prospectus, defined terms shall have the same meaning given to such terms in that chapter.

In the section titled “*Risk Factors*” beginning on page 28 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

In the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page 179 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter

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

### **Certain Conventions**

All references to “India” in this Prospectus are to the Republic of India and its territories and possession and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references to the “US”, “U.S.” “USA” or “United States” are to the United States of America and its territories and possessions.

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

### **Financial Data**

Unless the context otherwise requires or indicates, the financial information (including financial ratios) and any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 28, 103 and 179, respectively, and elsewhere in this Prospectus have been derived from our Restated Financial Statements.

The restated Financial Statements of our Company, as at and for the period ended October 16, 2022 and for the period ended March 31, 2023 and for the financial years ended March 31, 2022 and March 31, 2021 prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations; and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time (the “Guidance Note”), comprising the restated statement of assets and liabilities as at the period ended October 16, 2022 and for the period ended March 31, 2023 and for the financial years ended March 31, 2022 and 2021, the restated statements of profit and loss (including other comprehensive income), the restated statement of changes in equity, the restated cash flow statement as at the period ended October 16, 2022 and for the period ended March 31, 2023 and for the financial years ended March 31, 2022 and 2021, the summary statement of significant accounting policies, and other explanatory information. For further information on our Company’s financial information, see “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 151 and 179, respectively. In addition, the Restated Consolidated Financial Statements, as required under the SEBI (ICDR) Regulations in relation to the Investment in our Subsidiary Entities, Ahmedabad Medical Corporation and Supal Distributors LLP, in which we made Investment with effect from January 10, 2023, is included in this RHP, see “*Restated Consolidated Financial Statements*” on page 151.

Our Company’s financial year commences on April 1 and ends on March 31 of next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 months period ended on March 31 of that calendar year. Reference in this Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements and Restated Consolidated Financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “*Financial Information*” beginning on page 151 of this Prospectus.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 2 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 263 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

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

All references to:

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

Our Company has presented certain numerical information in this Prospectus in “*Lakhs*” units. One Lakh represents 1,00,000. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

### **Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout the Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein 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.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies, and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” on page 79 of the Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the BRLM, have independently verified such information.

## FORWARD LOOKING STATEMENTS

This Prospectus contains certain statements which are not statements of historical fact and may be described as “*forward-looking statements*”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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 industry 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 globally which have an impact on our business activities, investments, or the industry in which we operate, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. We rely on third parties for manufacturing products of our Company.
2. In past, we have undertaken and may continue to undertake strategic investments, acquisitions and mergers in the future, which may be difficult to integrate and manage. Our future success depends on our ability to achieve and manage growth, whether through internal growth or strategic acquisitions
3. We are involved in high volume - low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.
4. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.
5. Our business largely depends on the performance of our distributors. Any non-performance by these distributors may adversely affect our business operations, profitability and cash flows.
6. We typically do not enter into long-term agreements with our customers, and an inability to continue to engage with them would have a material adverse effect on our business, results of operations and financial condition.
7. We are involved in certain legal proceedings, which, if determined adversely, may affect our business and financial condition.

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

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Issue from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II – SUMMARY OF OFFER DOCUMENT

### PRIMARY BUSINESS OF THE COMPANY

Our company was originally formed as a partnership firm in the name and style of “M/s. Mono Chemist” through partnership deed dated May 06, 1994. Promoters of our company Panilam Lakhatariya and Supal Lakhatariya joined the partnership firm on May 10, 2018, as partners of the firm. Further, our Promoters acquired 100% ownership of the partnership firm on July 25, 2019. Further, new partners i.e. Shivilal Gandadal Lakhatariya, Shardaben Shivilal Lakhatariya, Shivam Parag Chauhan, Archit Suhasbhai Shah and Pallaviben Suhasbhai Shah were added pursuant to deed of admission dated June 18, 2022. The partnership firm was then converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited vide Certificate of Incorporation dated October 17, 2022, was issued by the Registrar of Companies, Ahmedabad. The corporate identification number of our Company is U24304GJ2022PLC136193.

We are engaged in the business of marketing of pharmaceutical products and also, we are distributors of various pharmaceutical companies. We work with various contract manufacturers who manufacture pharmaceutical products on our behalf based on compositions given by us and subsequently we sell those products under our brand “DLS Export”. We are also distributors to various pharmaceutical companies. As on February 28, 2023, we are dealing with (distributors and stockists) 168 pharmaceutical companies and also, we are connected with 3,036 Customers/vendors who are a mix of retail pharmacy stores as well as wholesalers. Our promoters have a combined experience of more than a decade in the pharmaceutical industry. Our Promoters have been the pillars of our Company’s growth since beginning and with their enriching experience and progressive thinking, we aim to continue to grow in the pharmaceutical industry.

For detailed information on our business activities, please refer to section titled “*Our Business*” on page 103 of this Prospectus.

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India ranks 3rd worldwide for production by volume and 14th by value. The nation is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is the leading vaccine manufacturer globally. India also has the highest number of US-FDA compliant Pharma plants outside of USA and is home to more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities as well as a highly skilled resource pool.

The pharmaceutical industry in India offers 60,000 generic brands across 60 therapeutic categories. Major segments include generic drugs, OTC Medicines, API/Bulk Drugs, Vaccines, Contract Research & Manufacturing, Biosimilars and Biologics.

For detailed information on our business activities, please refer to section titled “*Industry Overview*” on page 94 of this Prospectus.

### NAME OF THE PROMOTERS

The Promoters of our Company are Panilam Lakhatariya and Supal Lakhatariya. For detailed information on our Promoters and Promoter Group, please refer to section titled “*Our Promoters and Promoter Group*” on page 144 of this Prospectus.

### SIZE OF THE ISSUE

Public issue 53,00,000 Equity Shares of face value of ₹10/- each for cash at a price of ₹ 28/- per equity share including a share premium of ₹ 18/- per equity share (the “**Issue Price**”) aggregating to ₹ 1,484.00 Lakhs (“**the Issue**”)

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the Fresh Issue towards funding the following objects and achieve the benefits of listing on EMERGE platform of National Stock Exchange of India Limited:

Sr. No.	Particulars	(₹ in lakhs)
1	To meet the working capital requirements	898.00
2	General Corporate Purposes	366.00
3	Issue Related Expenses in relation to Fresh Issue	220.00
	<b>Total</b>	<b>1,484.00</b>

For detailed information on the “*Objects of the issue*”, please refer on page 74 of this Prospectus.

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

Aggregate Pre-Issue Shareholding of the Promoters & Promoter Group are as follows:

Particulars	Pre-Issue	
	Number of Equity Shares	Percentage (%) holding
<b>Promoters</b>		
Panilam Lakhatariya	80,26,761	64.90%
Supal Lakhatariya	19,93,458	16.12%
<b>Total (A)</b>	<b>1,00,20,219</b>	<b>81.02%</b>
<b>Promoter Group</b>		
Archit Shah	530	Negligible
Pallaviben Shah	530	Negligible
Shardaben Lakhtaria	530	Negligible
Shivlal Lakhtaria	530	Negligible
<b>Total (B)</b>	<b>2,120</b>	<b>Negligible</b>
<b>Total (A+B)</b>	<b>1,00,22,339</b>	<b>81.02%</b>

For detailed information on the “*Capital Structure*”, please refer on page 61 of this Prospectus.

## FINANCIAL DETAILS

The table below sets forth a summary of the Restated Consolidated Financial Statements for the period ended October 16, 2022 and March 31, 2023 for the financial years ended March 31, 2022 and March 31, 2021:

Sr No.	Particulars	<i>(Amount in Lakhs except per share data)</i>			
		For the period October 17, 2022 to March 31, 2023*	For the period April 01, 2022 to October 16, 2022*	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
1	Share Capital	1236.86	429.83	427.57	369.58
2	Net worth	1368.57	429.83	427.57	369.58
3	Revenue from operations	3,308.70	2,538.94	3,698.30	2,826.61
4	Profit After Tax	94.53	28.84	35.09	9.51
5	Basic Earnings Per Share (Post Bonus Issue)	1.37	0.62	0.75	0.20

Sr No.	Particulars	For the period October 17, 2022 to March 31, 2023*	For the period April 01, 2022 to October 16, 2022*	For the financial year ended March 31, 2022	For the financial year ended March 31, 2021
6	Diluted Earnings Per Share (Post Bonus Issue)	1.37	0.62	0.75	0.20
7	NAV per Equity Shares(Post Bonus Issue)	19.92	9.23	9.18	7.93
8	Total Borrowings (as per Restated)	3,992.70	670.85	643.93	608.03

\* Not annualised

\*\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

For detailed information on the “Restated Consolidated Financial Statements”, please refer on page 151 of this Prospectus.

#### **AUDITORS’ QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

There are no audit qualifications which have not been given effect in the Restated Consolidated Financial Statements.

#### **OUTSTANDING LITIGATIONS**

A summary of outstanding litigation proceedings involving our Company, Directors, Promoters and Subsidiary Entities or Group Company as on the date of this Prospectus is provided below:

Sr. No.	Outstanding Litigations	Number of Cases	Financial implications to the extent quantifiable (₹ in Lakhs)
1.	Filed against our Company	-	-
2.	Filed by our Company	3	26.12
3.	Filed against our Promoters	-	-
4.	Filed by our Promoters	-	-
5.	Filed against our Directors	-	-
6.	Filed by our Directors	-	-
7.	Filed against our Subsidiary entities/Group Company	-	-
8.	Filed by our Subsidiary entities/Group Company	4	77.05

For detailed information on the Outstanding Litigations, please refer to section titled “Outstanding Litigations and Material Developments” on page 189 of this Prospectus.

#### **RISK FACTORS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the

Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India. Specific attention of the investors is invited to the section titled “*Risk Factors*” beginning on page 28 of this Prospectus.

## CONTINGENT LIABILITIES

There are no Contingent Liabilities of the Company for the period ended October 16, 2022 and March 31, 2023 for the financial years ended March 31, 2022 and March 31, 2021.

## RELATED PARTY TRANSACTIONS

(₹ in Lakhs)

Particulars	Nature of Transaction	For the period ended on March 31, 2023	For the period ended on October 16, 2022	For the year ended on March 31, 2022	For the year ended on March 31, 2021
<b>A. Key Managerial Person</b>					
1. Panilam Shivilal Lakhatariya	<b>Remuneration</b>	<b>5.00</b>	<b>5.50</b>	<b>12.50</b>	<b>12.50</b>
	Purchase	-	-	-	-
	Sales	-	0.10	0.27	1.67
	Agreement	609.80	-	-	-
	Loan Taken	693.65	-	-	-
	Loan Repaid	(155.03)	-	-	-
2. Supal Panilam Lakhatariya	Remuneration	5.00	5.50	12.50	12.50
	Sales	-	580.00	0.02	0.05
	Loan Taken	743.75	-	-	-
	Loan Repaid	(48.19)	-	-	-
<b>B. Subsidiaries</b>					
3. Supal Distributors LLP	Loan Taken	77.84	-	-	-
	Loan Repaid	77.84	-	-	-
	Sales	524.89	1,005.65	276.80	107.28
	Purchase	450.86	170.62	284.38	6.40
	Investment	0.99	-	-	-
	Profit from Partnership	7.49	-	-	-
4. Ahmedabad Medical Corporation	Sales	114.04	-	-	-
	Purchase	238.95	12.10	-	-
	Investment in Fixed Capital	9.99	-	-	-
	Investment in Working Capital	167.09	-	-	-
	Profit from Partnership	9.49	-	-	-
<b>C. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>					
4. Panilam Shivilal Lakhatariya HUF	<b>Loan Taken</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Loan Repaid	9.86	-	-	-
5. Supal Pharma	Sales	263.54	624.84	-	-
	Purchase	169.82	124.43	606.24	229.00
6. Supal Medical & Wholesale LLP	Sales	173.42	-	-	-
	Purchase	139.01	-	-	-
7. RB Agencies	Sales	8.97	-	-	-

Balance outstanding	Nature of Transaction	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>A. Key Managerial Person</b>				
1. Panilam Lakhatariya	Loan from Director	538.62	-	-
2. Supal Panilam Lakhatariya	Loan from Director	695.56	-	-
<b>B. Subsidiaries</b>				
3. Supal Distributors LLP	Creditor	(0.84)	31.60	223.21
4. Ahmedabad Medical Corporation	Debtor	81.72	-	-
<b>C. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>				
4. Panilam Shivilal Lakhatariya HUF	Loan	-	4.93	4.93
5. Supal Pharma	Creditor	(29.00)	(294.09)	-
6. Supal Medical & Wholesale LLP	Debtor	29.61	-	-
7. RB Agencies	Creditor	(1.85)	-	-

The following transactions were carried out with the related parties in the ordinary course of business (except reimbursement of actual expenses):

For detailed information on the related party transactions executed by our Company, please refer “Annexure – 23” under chapter titled “Restated Consolidated Financial Statements” beginning on page 151 of this Prospectus.

## FINANCING ARRANGEMENTS

The Promoters, members of the Promoter Group, the directors of our Promoters, the directors of the issuer and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Prospectus.

## WEIGHTED AVERAGE PRICE & AVERAGE COST OF ACQUISITION

### Weighted average price:

Weighted average price at which the Equity Shares were acquired by our Promoters in the last one year:

Sr. No	Name of Promoters	No. of Equity Shares acquired in the last one year from the date of this RHP	Weighted Average Price (in ₹ per equity share)
1.	Panilam Lakhatariya	80,26,761	10.73
2.	Supal Lakhatariya	19,93,458	9.47

\*As certified by the statutory auditor dated August 21, 2023

### Average Cost of Acquisitions of Shares

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

Sr. No	Name of Promoters	No. of Equity Shares	Average cost of Acquisition Price (in ₹ per equity share)
1.	Panilam Lakhatariya	80,26,761	10.73
2.	Supal Lakhatariya	19,93,458	9.47

\*As certified by the statutory auditor dated August 21, 2023.

## PRE-IPO PLACEMENT

Our Company has not issued any equity shares as pre-IPO placement as on the date of this Prospectus except as mentioned in the Chapter titled “*Capital Structure*” on page 61 of this RHP.

Also, our Company does not contemplate any pre-IPO placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.

## ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

Details of equity shares for consideration other than cash issued during the last one year is mentioned below, for further details please see Chapter titled “*Capital Structure*” on page 61 of this Prospectus.

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of allotment	Benefits accrued by our Company
January 30, 2023	50,81,699	10	12	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (Proprietorship firm of Panilam Lakhatariya)	Takeover of business
February 25, 2023	5,27,520	10	10	Bonus Issue	Capitalization of Free Reserves
<b>Total</b>	<b>56,09,219</b>				

## SPLIT / CONSOLIDATION

Our Company has not split/consolidated equity shares during the last one year immediately preceding the date of filing this Prospectus except as mentioned in the Chapter titled “*Capital Structure*” on page 61 of this Prospectus.

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

Our Company has not received any exemption from SEBI from complying with any provisions of securities laws, as on the date of this Prospectus.

## SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 103 and 179, respectively, as well as the other financial and statistical information contained in this Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

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

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

### **Materiality**

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

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

### **Internal Risk Factors**

#### **1. We rely on third parties for manufacturing products of our Company.**

We are a pharmaceutical company, engaged in the business of marketing of healthcare products in domestic market through own distribution network. We get our approved formulations manufacture through various contract manufacturers. We rely on certain third parties for manufacturing our products. At present, for contract manufacturing, we are associated with 19 pharmaceutical companies / entities who manufactures our products as per our order. Moreover, as per terms of agreement such companies are having lead time of average 45 to 60 days to complete our manufacturing order, from the date of receipt of our purchase order. Our company has to schedule manufacturing plan, as we cannot enforce such manufacturing companies to manufacture as per our schedule.

Any decline in the quality of medicines manufactured or delay in delivery of products by such parties or rise in job work charges may adversely affect our operations. Further there can be no assurance that such parties shall continuously provide their services or would not cater to demand of competitors. Any withdrawal of services from such manufacturers or supply of services to competitors at better rates may adversely affect our result of operations and future prospects. Further we are also exposed indirectly to the risks these manufacturers face. For further details, please see “*Our Business*” on page 103 of this prospectus.

***2. In past, we have undertaken and may continue to undertake strategic investments, acquisitions and mergers in the future, which may be difficult to integrate and manage. Our future success depends on our ability to achieve and manage growth, whether through internal growth or strategic acquisitions***

In past, we have pursued and may continue to pursue acquisitions, mergers and strategic investments in businesses that operate in the distribution of pharmaceutical products industry and whose resources, capabilities and strategies are complementary to and likely to enhance our business operations. For example, we have recently acquired proprietorship firm of our promoter Panilam Lakhatariya M/s DLS Exports pursuant to business transfer agreement dated December 15, 2022, and acquired 99% ownership of partnership firms M/s Ahmedabad Medical Corporation and M/s Supal Distributors LLP from the promoters of our company Panilam Lakhatariya and Supal Lakhatariya on January 10, 2023. For further details, please see “*Our Business*” and “*History and Certain Corporate Matters*” on page 103 and 125 of this prospectus. There can be no assurance that we will be able to achieve the strategic purpose of these acquisitions and generate the expected benefits. It is possible that we may not be able to identify suitable investment opportunities in future, or if we do identify suitable opportunities, we may not be able to complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable investments or the inability to complete such transactions may adversely affect our competitiveness or our growth prospects. Even if we find such suitable opportunities, we may not be able to effectively integrate these into our existing businesses, or we may incur higher than anticipated costs, or incur unknown liabilities that could have a material adverse effect on our financial condition and results of operations.

***3. We are involved in high volume - low margin business. Any disruption in our turnover or failure to regularly grow the same may have a material adverse effect on our business, results of operations and financial condition.***

Ours is a high-volume low margin business. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. We are in the business of distribution of pharmaceutical and healthcare products and due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to procurement of timely sales / order execution and continuous cost control of non-core activities.

For the period ended October 16, 2022 and March 31, 2023 and for the financial years ended March 31, 2022 and March 31, 2021, our revenue from operations were and ₹ 2,538.94 lakhs, ₹ 3308.70 lakhs, and ₹ 3,698.30 lakhs, ₹ 2,826.61 lakhs, respectively. Our profit before tax margin and profit after tax margin was lower than or around 2.87% and 2.11% for each period respectively.

The table below gives details of our revenue from operations vis-à-vis our profit margins based on restated financial information:

(₹ in lakhs)

Particulars	For the period October 17, 2022 to March 31, 2023	For the period April 01, 2022 to October 16, 2022*	As at March 31, 2022	As at March 31, 2021
Revenue from operations	3308.70	2,538.94	3,698.30	2,826.61
Profit before tax (PBT)	131.79	35.84	55.09	16.91
Profit after tax (PAT)	94.53	28.84	35.09	9.51
PBT Margin (%)	3.98%	1.41%	1.49%	0.60%
PAT Margin (%)	2.86%	1.14%	0.95%	0.34%

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

As part of our growth strategy, we aim to improve our functional efficiency and expand our business operations. Our growth strategy is subject to and involves risks and difficulties, many of which are beyond our control and, accordingly, there can be no assurance that we will be able to implement our strategy or growth plans or complete them within the timelines. Further, we operate in a dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands.

For further details regarding the discussions and explanations for our past results, please see “Management’s Discussion and Analysis of Financial Position and Results of Operations” on page 179 of this prospectus.

**4. Our top ten customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top ten customers for the period ended March 31, 2023, have contributed to 72.07% of our revenue from operations. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business, we obtain from them is reduced for any reason. Further, we also cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long-term relationships with our customers, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

**5. Our business largely depends on the performance of our distributors. Any non-performance by these distributors may adversely affect our business operations, profitability and cash flows.**

We mainly sell our products directly to distributors / stockiest / super stockiest who in turn take forward the supply chain. Our business hence largely depends on the performance of our distributors, who may be responsible for selling our products to end users at domestic. Currently, we have distributors/stockiest/super stockiest for our Domestic market. Further these distributors generally operate for a specific region. We can give no assurance that the performance of such distributors will meet our required specifications or performance parameters. Such distributors are independent third parties over which we do not have control. Additionally, we do not have any non-compete agreement with such distributors and in the event that such distributors enter into agreements with competitors, we may not be able to take any course of action.

Similarly, we are restricted from directly involving ourselves in marketing services in certain regions where these distributors are located. As a result, our growth, results of operations and the integrity of our brand name in these areas is dependent on the performance of these distributors. Moreover, there can be no assurance that our distributors will be able to generate adequate revenue consistently, and we may be exposed to credit risks associated with non-payment or untimely payments from our distributors.

6. *We typically do not enter into long-term agreements with our customers, and an inability to continue to engage with them would have a material adverse effect on our business, results of operations and financial condition.*

Though we have had repeat orders from customers and have developed long-term relationships with certain customers, we typically do not enter into long-term contracts with our customers. In the absence of long-term contracts, there can be no assurance that our existing customers will continue to purchase our products and any loss of our customers will have a material adverse effect on our business, results of operations and financial condition. Customers with whom we do not have long-term agreements may choose to cease sourcing our products. In the event a customer ceases to use us as its preferred supplier for their products, we cannot assure you that we will be successful in marketing those products to another customer. Further, in the event of any disputes with our customers including in relation to payments for the products supplied, in the absence of formal, long-term agreements, we may have limited recourse to seek contractual remedies against our customers. Our relationship with our customers are therefore dependent to a large extent on our ability to regularly meet customer requirements, including price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers.

7. *We are involved in certain legal proceedings, which, if determined adversely, may affect our business and financial condition.*

As on the date of filing this Prospectus, there are outstanding legal proceedings initiated by or against our Company, Promoters, Directors, and Group Companies that are incidental to our business and operation. A summary of outstanding litigation proceedings involving our Company, our promoters, our directors, and our group companies as on the date of this Prospectus is provided below:

Sr. No.	Outstanding Litigations	No. of Outstanding Matters	Financial implications to the extent quantifiable (Amount ₹ in Lakhs)
1.	<b>Case against our Company</b>		
	<i>Criminal proceedings</i>	-	-
	<i>Action by regulatory/statutory authorities</i>	-	-
	<i>Tax proceedings</i>	-	-
	<i>Material civil litigation</i>	-	-
	<i>Other Matters</i>	-	-
	<b>Total</b>	-	-
2.	<b>By our Company</b>		
	<i>Material Civil Proceedings</i>	-	-
	<i>Criminal Proceedings</i>	3	26.12
	<b>Total</b>	<b>3</b>	<b>26.12</b>
3.	<b>Case against our Subsidiary Entities /Group Companies</b>		
	<i>Criminal proceedings</i>	-	-
	<i>Action by regulatory/statutory authorities</i>	-	-
	<i>Tax proceedings</i>	-	-
	<i>Material civil litigation</i>	-	-
	<i>Other Matters</i>	-	-

Sr. No.	Outstanding Litigations	No. of Outstanding Matters	Financial implications to the extent quantifiable (Amount ₹ in Lakhs)
	<b>Total</b>	-	-
4.	<b>Cases by our Subsidiary Entities/Group Companies</b>		
	Material Civil Proceedings	1	61.34
	Criminal Proceedings	3	15.71
	<b>Total</b>	<b>4</b>	<b>77.05</b>
5.	<b>Cases against our Promoters</b>		
	Criminal proceedings	-	-
	Action by regulatory/statutory authorities	-	-
	Tax proceedings	-	-
	Material civil litigation	-	-
	Other Matters	-	-
	<b>Total</b>	-	-
6.	<b>Cases by our Promoters</b>		
	Material Civil Proceedings	-	-
	Criminal Proceedings	-	-
	<b>Total</b>	-	-
7.	<b>Cases against our Directors</b>		
	Criminal proceedings	-	-
	Action by regulatory/statutory authorities	-	-
	Tax proceedings	-	-
	Material civil litigation	-	-
	Other Matters	-	-
	<b>Total</b>	-	-
8.	<b>Cases by our Directors</b>		
	Material Civil Proceedings	-	-
	Criminal Proceedings	-	-
	<b>Total</b>	-	-

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. Also documents related to some of these cases are not available in records of the Company, hence the information related them are not ascertainable. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. For further details pertaining to outstanding litigations, kindly refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 189 of this prospectus.

8. ***We do not own the premises in which our registered office and warehouses are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof could adversely affect our operations.***

We operate our business operations out of below premises:

Sr No	Location	Purpose of use	Description
1.	1A, Krinkal Apartment, Opposite Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India	Registered office & Warehouse	Leave and license agreement dated November 7, 2020, between Rushil Décor Limited (Licensor, Owner) & Mono Chemist (Licensee) for a term of five years commencing from December 1, 2020, at ₹

Sr No	Location	Purpose of use	Description
			27,500 per month with security deposit paid of ₹ 55,000
2.	33, Nutan Society, Behind Suvadha Shopping Center, Near Parimal Under-Bridge, Paldi, Ahmedabad – 380007 Gujarat, India.	Warehouse	Leave and license agreement dated December 22, 2020, between Madhuben Sailesh Shah (Licensor, Owner) & Panilam Lakhatariya (Licensee) for a term commencing from December 1, 2020 to November 30, 2025, at ₹ 35,000 per month
3.	1B, Krinkal Apartment Opposite Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India.	Ahmedabad Medical Corporation Office & Warehouse	Leave and license agreement dated November 7, 2020, between Rushil Décor Limited (Licensor, Owner) & Ahmedabad Medical Corporation (Licensee) for a term of five years commencing from December 1, 2020, at ₹ 27,500 per month with security deposit paid of ₹ 55,000
4.	A-204, 2 <sup>nd</sup> Floor, Tulip Corps, Above Pakwan Dining Hall, Opp. V.S. Hospital, Ellisbridge, Ahmedabad-380006, Gujarat, India.	Supal Distributors LLP Registered Office and Warehouse	Owned property in the name of Supal Distributors LLP purchased from Rashmikant Bhaichand Shah and Lokesh Rashmikant Shah on May 21, 2018 for a total consideration of ₹ 47 lakhs
5.	3, 1 <sup>st</sup> Floor, Krinkal Apartment, Opp. Mahalaxmi Temple, Paldi, Ahmedabad - 380007, Gujarat, India.	Warehouse of Supal Distributors LLP	Leave and license agreement dated October 7, 2021, between Surti Deepakbhai Shivilbhai (Licensor, Owner) & Supal Distributors LLP (Licensee) for a term of five years commencing from October 7, 2021, at ₹ 25,000 (rent as well as maintenance) per month with security deposit paid of ₹ 50,000

We cannot assure you that we will be able to renew our leases on commercially acceptable terms or at all. We also cannot assure you that we will be permitted to use our leased property on a continuous basis. If we are required to vacate the aforementioned premises, we would be required to make new arrangements for our registered office and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations and/or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**9. Our Company has availed unsecured loans with a total outstanding amount of ₹ 1,584.45 lakhs as of March 31, 2023, that may be recalled by the lenders at any time.**

Our Company has currently availed certain unsecured loans. The total outstanding amount of the unsecured loan as of March 31, 2023, was ₹ 1,584.45 lakhs. These loans may be recalled by the lenders at any time. In the event that the lender seeks a repayment of any such loan, our company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all and this may affect our Company's liquidity. If we are unable to procure such financing, we may not have adequate working capital to operate our business. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details of these unsecured loans, please refer to Chapter titled "Restated Financial Statements" beginning on page 151 of this Prospectus

**10. We have entered into and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favourable terms.**

We have entered into certain transactions with related parties may continue to do so in future. While our Company believes that all such transactions have been conducted on arms-length basis and is in compliance with the Companies Act, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our company will enter into related party transactions also 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. For details, please refer to “Annexure 23 – Related Party Transactions” under section titled “Financial Information” on page 151 of this Prospectus.

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

Our products face competition from products commercialized or under development by competitors in all 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.

Many of our competitors may have greater financial, manufacturing, research and development, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic reach, broader product ranges and stronger sales forces. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Also, we face pressure on our margins due to pricing competition from several small and unorganized local players. Presence of more players in the unorganized sector compared to organized ones has resulted in increasingly competitive environment characterized by stiff price competition.

We also operate in a rapidly consolidating industry. The strength of combined companies could affect our competitive position in all 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.

***12. Our marketing & distribution activities are exposed to fluctuations in the prices of materials.***

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

***13. Our Promoters and Directors have interests in certain entities, which are in businesses similar to ours and this may result in potential conflict of interest with us.***

There are, and may be, certain transactions between our company and our promoters or Promoter group entities, in the ordinary course of business and at arms’ length price. However, a potential conflict of interest may occur between our promoters, directors, Subsidiary entities and Promoter group entities as they may have interest in companies in the similar line of business as our company. For example, our Promoter group companies, Supal Distributors LLP, Supal Medical & Wholesale LLP, Ahmedabad Medical Corporation, Supal Pharma, R B agencies, Panilam Shivilal Lakhatariya HUF and Supal Trading L.L.C are engaged in similar business as ours. For further details, please see “Our Management” and “Our Promoter and Promoter Group” on pages, 132 and 144, respectively of this

prospectus. Our promoters and directors, their related entities and our Group Companies may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

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

Our company's net working capital consisted of ₹ 826.54 lakhs, ₹ 683.48 lakhs, ₹ 2,145.91 lakhs and ₹ 2,059.52 lakhs for the financial year ended 2021, 2022, for the period ended December 31, 2022 and financial year ended 2023, respectively. The net working capital requirement for the financial year 2024 is projected to be ₹ 3,150.35 lakhs. A significant portion of our working capital is utilized towards inventories, trade receivables and trade payables. Summary of our working capital position is given below:

	(₹ in Lakhs)				
Particulars	As at March 31, 2021	As at March 31, 2022	As at December 31, 2022	As at March 31, 2023	As at March 31, 2024
<i>Current Assets</i>					
Inventories	414.05	471.37	1,459.84	1,518.12	1,928.76
Trade Receivables	534.66	552.10	800.19	808.39	1,631.78
Cash and Cash Equivalents	17.32	24.47	53.73	22.86	60.00
Other Current Assets	5.37	2.35	214.56	26.27	266.48
<b>Total current assets (A)</b>	<b>971.39</b>	<b>1,050.29</b>	<b>2,528.31</b>	<b>2,375.64</b>	<b>3,887.02</b>
<i>Current Liabilities</i>					
Trade payables	125.46	334.59	299.11	209.33	669.71
Other current liabilities	7.61	5.82	24.37	61.94	29.49
Short term provisions	11.78	26.40	58.92	44.85	37.48
<b>Total current liabilities (B)</b>	<b>144.85</b>	<b>366.81</b>	<b>382.40</b>	<b>316.12</b>	<b>736.68</b>
<b>Net working capital (A-B)</b>	<b>826.54</b>	<b>683.48</b>	<b>2,145.91</b>	<b>2,059.52</b>	<b>3,150.35</b>
<i>Source of funds</i>					
Borrowings and internal accruals	608.03	683.48	1,142.17	2,059.52	2,252.35
Amount proposed to be utilized from Net Proceeds	-	-	-	-	898.00

We operate in a working capital-intensive industry therefore our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, at a future date, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. For further details regarding incremental working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 74 of this Prospectus.

**15. The geographical concentration of our Company may restrict our operations and adversely affect our business, results of operations, and financial conditions.**

We presently operate our entire business through our registered office and warehouses located at Ahmedabad, Gujarat. Our company faces potential vulnerabilities as it becomes highly dependent on the economic conditions, regulatory environment, and market dynamics specific to Ahmedabad. Adverse developments such as economic downturns, regulatory changes, or shifts in consumer preferences in Ahmedabad can significantly impact our company's business operations and financial performance. Geopolitical risks, such as political instability or natural disasters, also pose threats to our business. Further, we generate our sales through our customers situated in Ahmedabad. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect our business prospects, financial conditions and results of operations. For further details, please see "Our Business" on page 103 of the Prospectus.

***16. Our Company's management will have flexibility in utilizing the net proceeds from the issue and the deployment of the net proceeds from the issue is not subject to any monitoring by any independent agency.***

Our Company intends to primarily use the net proceeds towards working capital requirement and for general corporate purposes as mentioned in "Objects of the Issue" on page 74 of this Prospectus. In terms 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. Our company may have to revise its management estimates from time to time and consequently its requirements may change.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects would require a special resolution of the shareholders and our promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders of our company who do not agree to such proposal to vary the objects, in such manner as may be prescribed in future by the SEBI.

Accordingly, prospective investors in the 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.

***17. Our Promoter, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred, remuneration or other benefits received.***

Our Promoter, Directors and Key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our company and themselves as well as between our company and our group entities. For further details, please refer to the chapters titled "Our Business" and "Our Promoter and Promoter Group", beginning on page 103 and 144 respectively and the chapter titled "Annexure 23 - Related Party Transactions" under chapter titled "Restated Consolidated Financial Statements" beginning on page 151 of this Prospectus.

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

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

***19. Our insurance coverage may not adequately protect us against potential risk, and this may have a material adverse effect on our business.***

We maintain insurance coverage for key risks relating to our business. While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption.

***20. 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 and distributed 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.

***21. Our success is dependent on our management team, key managerial personnel and skilled manpower. Our inability to attract and retain key personnel or the loss of services of our key personnel may have an adverse effect on our business prospects.***

Our management team, key managerial personnel and skilled manpower have significantly contributed to the growth of our business, and our future success is dependent on their continued services. An inability to retain any key personnel may have an adverse effect on our business operations. We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow our operations. In the future, we may also not be able to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our senior management team, our directors or other key personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects. For further details, please refer chapter titled “*Our Promoter and Promoter Group*” and “*Our Management*” beginning on page 144 & 132 of this Prospectus

***22. Our business requires us to obtain and renew certain registrations, licenses, approvals, NoCs and permits in the ordinary course of our business. Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

We are required to obtain and maintain a number of statutory and regulatory licences, registrations, permits and approvals, generally for carrying out our business. In addition, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek new approvals, licenses, registrations and permits from time to time, as and when required in the ordinary course of our business. Obtaining licences, registrations, permits and approvals or their renewals are time consuming

processes and are subject to frequent delays. We have obtained licenses, registrations, permits and approvals from the relevant authorities and are renewing such statutory approvals periodically for our business.

Further, pursuant to our recent acquisitions and conversion after complying with the relevant and the applicable provisions and procedures of Companies Act, 2013, the name of our company was changed. Many of the Licenses and approvals are in the old name, the same are required to be updated / changed with various government / semi government authorities and various organizations. We are in the process of taking necessary steps for transferring the approvals in the new name of our Company. There can be no assurance that the relevant authorities will renew or issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and future prospects of the Company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition to the same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. For further details regarding the material approvals, licenses, registrations and permits, please see “*Government and other Key approvals*” on page 194 of this Prospectus

***23. We have not independently verified certain data in this Prospectus***

We have not independently verified data from the industry and related data contained in this Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled. Therefore, discussions of matters relating to India, its economy or the industry in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Post this issue, our Promoters and Promoter Group will collectively own 81.03% of our equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over our Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring a change in control of our Company.

***25. Our Company does not own any trademarks including that of the logo “” used for representing the Company and its business. We use logo registered in the name of one of our promoters, Panilam Lakhatariya. Thus, we may be exposed to the risk that their trademark may be affected by events beyond our control and that our promoter may not prevent us from using it in the future.***

Our company currently utilizes a logo registered under the name of one of our promoters, Panilam Lakhatariya. This usage has been authorized through an agreement dated April 06, 2023, which extends

to all entities within our promoter group. However, it is possible that the consent may be revoked at some point, and unforeseen events beyond our control could also negatively impact our promoter's trademark in the future. In the event of any damage to our brand that is not immediately and effectively addressed, our business, financial condition, and operational results could be adversely affected.

In case of revoke of approval or the same being registered and challenged by another party, we would be required to change our logo, which may prevent us from using it in the future and could require us to establish new branding and name recognition in the market, which could result in a material adverse effect on our reputation, business, financial condition and results of operations.

***26. Our Company's trademarks are not registered as on date of this RHP. However, applications for registration our trademarks have been filed with the trademark authority. We may be unable to adequately protect our intellectual property and/ or be subject to claims alleging breach of third-party intellectual property rights***

As on date of this Prospectus, we have 8 applications pending under the Trademarks Act, 1999 to register our brands in the name of our Company with the trademark authority and all are under formality check process and hence, we do not enjoy the statutory protections accorded to registered trademark. These applications are at different stages of approval. We cannot assure you that our applications for registration of our trademarks will be granted by the relevant authorities in a timely manner or at all. Our trademarks are significant to our business and operations. The use of our trademarks by third parties could adversely affect our reputation which could, in turn, adversely affect our business and results of operations. In the event our application is rejected by trademarks registry, our business, financial condition results of operation and cash flows would be adversely affected. Obtaining, protecting and defending intellectual property rights can be time consuming and expensive and may require us to incur substantial costs, including the diversion of the time and resources of management and technical personnel.

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

We operate in an industry characterized by extensive patent litigation, including frivolous litigation by competitors to delay grant of patent. Patent litigation can result in significant damages being awarded and injunctions that could prevent the sale of certain products or require us to pay significant royalties in order to continue to sell such products. While it is not possible to predict the outcome of patent litigation, we believe any adverse result of such litigation could include an injunction preventing us from selling our products or payment of significant damages or royalty, which would affect our ability to sell current or future products or prohibit us from enforcing our rights against others. The occurrence of any of these risks could adversely affect our business, financial condition and results of operations.

***28. We have certain amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire***

As on March 31, 2023, our long-term borrowings were ₹ 1,532.46 lakhs & short-term borrowings were ₹ 2,460.24 lakhs and as per our business requirements, we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- limiting our ability to borrow additional amounts in the future;
- increasing our finance costs;
- increasing our vulnerability to general adverse economic, industry and competitive conditions; and
- affecting our capital adequacy requirements.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the

lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company's borrowings, see "Financial Indebtedness" on page 186 of this Prospectus.

**29. We may not be successful in implementing our business strategies.**

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**30. We have not identified any alternate source of financing the 'Objects of the Issue'. If we fail to mobilize resources as per our plans, our growth plans may be affected.**

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled "Objects of the Issue" on page 74 of this Prospectus.

**31. We have issued equity shares during the last one year at a price that may be below the issue Price. Furthermore, the average cost of acquisition of equity shares by our promoters could be lower than the issue price.**

During the last one year we have issued equity shares at a price that may be lower than the issue price:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of allotment
Upon Incorporation (October 17, 2023)	1,00,000	10	10	Subscription to MOA pursuant conversion of Partnership Firm
January 27, 2023	43,13,650	10	10	Shares issued against the Partners Current Capital
January 30, 2023	50,81,699	10	12	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (Proprietorship firm of Panilam Lakhatariya)
March 15, 2023	23,45,695	10	10	Rights Issue
<b>Total</b>	<b>1,23,68,564</b>			

Furthermore, our promoter's average cost of acquisition of equity shares in our company may be lower than the issue price as decided by the Company, in consultation with the book running lead manager. For further details, please refer to the chapters "Capital Structure" beginning on page 61 of this Prospectus

**32. Our Promoters have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.**

Our Promoters have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactorily to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of

capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

***33. Our inability to manage inventory in an effective manner could adversely affect our business.***

Our business model requires us to maintain a certain level of inventory of pharmaceutical products, to meet the present and future orders. If we underestimate the orders that we may receive, we may experience inventory shortages and a loss of opportunity. Similarly, an over estimation of orders may result in over stocking leading to increased holding costs. Additionally, any over run in holding of such goods may lead to their decay. Therefore, any mismanagement on our part to determine the optimum inventory levels may impact our operations and cause us to incur losses.

***34. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

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

***35. There have been some instances of delayed filing in the past with the Registrar of Companies which may attract penalties:***

There have been some instances of delayed filing in the past with the Registrar of Companies including Form MGT-14, Form PAS-3 and Form DIR-12 with additional fees which may attract penalties.

Although, no regulatory action or penalty has been taken/ levied on the Company for such delays/ defaults, however, it cannot be assured that no such regulatory action or penalty will be taken/ levied in the future. Further, we cannot assure you that such non-compliances will not occur in the future. Therefore, if the concerned authorities impose monetary penalties on us or take certain punitive actions against our Company or its directors / officers in relation to the same, our business and financial condition could be adversely affected.

***36. Any future issuance of Equity Shares may dilute the shareholding of the investor, or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-issue paid-up share capital, held by our Promoter or other shareholders will be locked-in as per SEBI ICDR Regulations from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchange. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “*Capital Structure*” beginning on page 61 of this Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

***37. Our company is being promoted by a first-generation entrepreneur.***

Our Promoters are a first-generation entrepreneur. Their experience in managing and being instrumental in the growth of our Company is limited to the extent of their knowledge and experience. The limited

knowledge and experience of our first-generation entrepreneurs as promoters poses a risk to the management and growth of our company, and there is no assurance that this will not negatively impact the future success of our business. For further details, please refer chapter titled “*Our promoter and promoter group*” beginning on Page 144 of this Prospectus.

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

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

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

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

***39. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements of our company. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

***40. Reliance has been placed on declarations furnished by Directors for the details of their profiles included in this RHP:***

Our directors have been unable to trace copies of certain documents pertaining to their Experiences. While we have taken the requisite steps to obtain the relevant supporting documentation, we may not be able to procure all the relevant supporting documentation. Accordingly, our Company and the BRLM have placed reliance on the declarations furnished by Directors, to disclose such details in this RHP and neither we, nor the BRLM have been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that they will be able to trace the relevant documents pertaining to the experience in the future, at all. Therefore, we cannot assure you that all or any of the information relating to their experiences included in “*Our Management*” on the beginning page 132 is accurate.

***41. 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 Exchange may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop. The Issue Price of the Equity Shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

***42. The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- half yearly variations in our results of operations.
- results of operations that vary from the expectations of securities analysts and investors.
- results of operations that vary from those of our competitors.
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors.
- a change in research analysts' recommendations.
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments.
- announcements by third parties / governmental entities of significant claims/ proceedings against us.
- new laws and governmental regulations applicable to our industry.
- additions or departures of key management personnel.
- changes in exchange rates.
- changes in the price of oil or gas.
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

***43. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.***

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

**External Risk Factors**

***44. Financial instability in other countries, particularly countries with emerging markets, could disrupt Indian markets and our business and cause the trading price of the Equity Shares to decrease.***

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and in the Indian economy. Any worldwide financial instability could also have a negative effect on the Indian economy. Accordingly, any significant financial disruption could have an adverse effect on our business, financial condition, and results of operations.

***45. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition, and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business is subject to a significant number of state tax regimes and changes in legislations governing them, implementing them or the regulator enforcing them in any one of those jurisdictions could adversely affect our results of operations. The applicable categories of taxes and tax rates also vary significantly from state to state, 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 jurisdiction 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 expenditures incurred. 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 or State Governments that affect our industry include GST, income tax and other taxes, duties or surcharges introduced from time to time and any adverse changes in any of the taxes levied by the Government or State Governments could adversely affect our competitive position and profitability. Such changes, including the instances mentioned below, may adversely affect our business, results of operations, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

***46. Civil unrest, acts of violence including terrorism or war involving India or other countries could materially and adversely affect the financial markets and our business.***

Any major hostilities involving India or other countries or other acts of violence, including civil unrest including acts of terrorism or similar events that are beyond our control, could have a material adverse effect on the Indian and/or global economies and our business. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally. Such events could also potentially lead to a severe economic recession, which could adversely affect our business, results of operations, financial condition, and cash flows, and more generally, any of these events could lower confidence in India's economy.

India has witnessed civil disturbance in recent years, and it is possible that future civil unrest as well as other social, economic and political events in India could have a negative impact on our business. 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.

***47. Political instability and significant changes in Government policy could adversely affect economic conditions in India generally and our business in particular.***

Changes in exchange rates and controls, interest rates, Government policies, taxation, social and ethnic instability and other political and economic developments in and affecting India may have an adverse effect on our results of operations.

India has a mixed economy with a large public sector and an extensively regulated private sector. The role of the Government and that of the state governments in the Indian economy and their effect on producers, consumers, service providers and regulators has remained significant over the years. Both state and central governments have, in the past, among other things, imposed controls on the prices of a broad range of goods and services, restricted the ability of businesses to expand existing capacity and reduce the number of their employees and determined the allocation to businesses of raw materials and foreign exchange. Since 1991, successive Governments have pursued policies of economic liberalization, including significantly relaxing restrictions in the private sector. Nevertheless, the role of the Government and state governments in the Indian economy as producers, consumers and regulators has remained significant. There can be no assurance that the Government's past liberalization policies or political stability will continue in the future. Elimination or substantial change of such policies or the introduction of policies that negatively affect the security service industry could have an adverse effect on our business. Any significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and our business in particular.

***48. Any downgrading of India's debt rating by an international rating agency could adversely affect our business.***

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

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised 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, up to an amount of ₹ 1 lakh, if Securities Transaction Tax ("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. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to 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 from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains arising from a sale of Equity Shares.

***50. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares***

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), 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 falls under any of the exceptions specified by the RBI, then the prior approval of RBI will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For

further details, please refer to section titled “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 260 of this Prospectus.

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

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

***52. QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/ Issue Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

***53. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

**SECTION IV: INTRODUCTION  
THE ISSUE**

<b>PRESENT ISSUE IN TERMS OF THE PROSPECTUS</b>	
<b>Particulars</b>	<b>Details of Equity Shares</b>
Fresh Issue of Equity Shares by our Company <sup>(1)(2)</sup>	53,00,000 Equity Shares having face value of ₹10 each at a price of ₹ 28 per Equity Share (including a share premium of ₹ 18 per Equity share) aggregating ₹ 1,484.00 Lakhs.
<b>The Issue consist of:</b>	
Market Maker Reservation Portion	2,76,000 Equity Shares having face value of ₹10 each at a price of ₹ 28 per Equity Share (including a share premium of ₹ 18 per Equity share) aggregating ₹ 77.28 Lakhs.
Net Issue to the Public	50,24,000 Equity Shares having face value of ₹10 each at a price of ₹ 28 per Equity Share (including a share premium of ₹ 18 per Equity share) aggregating ₹ 1,406.72.
<b>of which</b>	
<b>A. QIB portion <sup>(3)</sup></b>	<b>Not more than 5,00,000 Equity Shares</b>
<b>of which</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	25,000 Equity Shares aggregating to ₹ 7.00 Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	4,75,000 Equity Shares aggregating to ₹ 133.00 Lakhs
<b>B. Non – institutional portion</b>	<b>Not Less than 22,60,000 Equity Shares aggregating to ₹ 632.80 Lakhs</b>
<b>C. Retail portion</b>	<b>Not Less than 22,64,000 Equity Shares aggregating to ₹ 633.92 Lakhs</b>
<b>Pre and Post Issue Share Capital of our Company</b>	
Equity Shares outstanding prior to the Issue	1,23,68,564 Equity Shares having face value of ₹10 per Equity Share
Equity Shares outstanding after the Issue	Up to 1,76,68,564 Equity Shares having face value of ₹ 10 per Equity Share
Objects of the Issue	Please refer Section titled “ <i>Objects of the Issue</i> ” on page 74 of this Prospectus.
(1)	<i>Public issue up to 53,00,000 Equity Shares face value of ₹10 each for cash at a price of ₹ 28 including premium of ₹ 18 per Equity Share of our Company aggregating to ₹ 1,484.00 Lakhs. 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 refer to section “Issue Structure” beginning on page 221 of this Prospectus. The Issue has been authorised by a resolution of our Board dated March 21, 2023. Our Shareholders have authorised the Issue pursuant to a special resolution dated March 22, 2023.</i>
(2)	<i>The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, and accordingly, we have allocated the Net Issue i.e. not more than 10% of the Net Issue to QIB and not less than 45% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 45% of the Net Issue shall be available for allocation to Non-institutional bidders. For details, see “Issue Procedure” on page 225.</i>
(3)	<i>Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.</i>

For further details regarding the Issue Structure and Procedure, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 221 and 225 respectively of this Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**  
**Restated Statement of Assets and Liabilities**

(₹ in Lakhs)

	Particulars	Note No.	As at March 31, 2023	As at October 16, 2022*	As at March 31, 2022	As at March 31, 2021
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Shareholders' Funds</b>					
	(a) Share Capital	2	1236.86	429.83	427.57	369.58
	(b) Reserve and surplus	3	131.71	-	-	-
(2)	<b>Minority Interest</b>		0.28	-	-	-
			<b>1,368.85</b>	<b>429.83</b>	<b>427.57</b>	<b>369.58</b>
(3)	<b>Non-current liabilities</b>					
	(a) Long -term borrowing	4	1,532.46	170.04	151.37	98.56
			<b>1,532.46</b>	<b>170.04</b>	<b>151.37</b>	<b>98.56</b>
(4)	<b>Current Liabilities</b>					
	(a) Short Term Borrowings	5	2,460.24	500.81	492.56	509.47
	(b) Trade Payables	6				
	(i) Due to Micro, Small and Medium Enterprises		414.94	14.97	294.09	-
	(ii) Others		278.80	677.93	40.51	125.46
	(c) Other Current Liabilities	7	110.77	44.45	5.82	7.61
	(d) Short- term Provisions	8	91.33	14.50	26.40	11.78
			<b>3,356.08</b>	<b>1,252.66</b>	<b>859.36</b>	<b>654.33</b>
	<b>TOTAL</b>		<b>6,257.39</b>	<b>1,852.52</b>	<b>1,438.31</b>	<b>1,122.46</b>
<b>II.</b>	<b>ASSETS</b>					
(1)	<b>Non Current Assets</b>					
	(a) Property, Plants & Equipment	9				
	(i) Tangible Assets		82.64	30.83	29.68	39.09
	(b) Non-current Investments		57.34	-	-	-
	(c) Deferred tax assets (Net)	10	5.28	-	-	-
	(d) Long-term loans and advances		1.45	-	-	-
			<b>146.72</b>	<b>30.83</b>	<b>29.68</b>	<b>39.09</b>
(2)	<b>Current Assets</b>					
	(a) Inventories	11	3268.61	609.09	471.37	414.05
	(b) Trade Receivables	12	2187.05	958.38	552.10	534.66
	(c) Cash and Cash Equivalents	13	41.77	38.15	24.47	17.32
	(d) Short Term Loans and Advances	14	533.92	208.22	358.34	111.98
	(e) Other Current Assets	15	79.32	7.86	2.35	5.37
			<b>6,110.68</b>	<b>1,821.69</b>	<b>1,408.63</b>	<b>1,083.37</b>
	<b>TOTAL</b>		<b>6,257.39</b>	<b>1,852.52</b>	<b>1,438.31</b>	<b>1,122.46</b>

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

**Restated Statement of Profit and Loss**

*(₹ in lakhs)*

	Particulars	Note No.	For the period October 17, 2022 to March 31, 2023	For the period April 01, 2022 to October 16, 2022*	For the year ended on March 31, 2022	For the year ended on March 31, 2021
<b>I</b>	Revenue from operation	16	3,308.70	2,538.94	3,698.30	2,826.61
<b>II</b>	Other income	17	6.07	7.61	11.96	11.22
<b>III</b>	<b>Total Revenue ( I + II)</b>		<b>3,314.77</b>	<b>2,546.55</b>	<b>3,710.27</b>	<b>2,837.83</b>
<b>IV</b>	<b>Expenses</b>					
	Purchase of Traded Goods	18	5583.37	2,547.66	3,526.46	2,774.27
	(Increase)/Decrease in Stock	19	-2659.52	(137.72)	(57.32)	(118.68)
	Employee Benefits Expenses	20	84.96	25.44	62.18	53.88
	Finance Cost	21	93.09	39.16	74.21	66.17
	Depreciation and Amortisation Cost	9	5.08	5.29	10.82	12.83
	Other expenses	22	75.99	30.90	38.83	32.45
	<b>Total Expenses</b>		<b>3,182.98</b>	<b>2,510.71</b>	<b>3,655.18</b>	<b>2,820.92</b>
	<b>Profit before tax</b>					
<b>V</b>	<b>Extraordinary and Exceptional Items ( III - IV)</b>		<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
<b>VI</b>	Exceptional Items		-	-	-	-
<b>VII</b>	<b>Extraordinary Items and Tax ( V- VI )</b>					
	Prior Period Expenses		-	-	-	-
<b>VIII</b>	<b>Profit Before Tax</b>		<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
<b>IX</b>	Tax Expenses					
	(1) Current Tax		42.54	7.00	20.00	7.40
	(2) Deferred Tax		(5.28)			
<b>X</b>	<b>Profit (Loss) for the Year</b>		<b>94.53</b>	<b>28.84</b>	<b>35.09</b>	<b>9.51</b>
<b>XI</b>	<b>Minority Interest</b>		<b>(0.17)</b>	-	-	-
	Profit/(Loss) for the year after Taxes and Minority Interest		<b>94.36</b>	<b>28.84</b>	<b>35.09</b>	<b>9.51</b>
<b>XI</b>	Earning per Equity share :	27				
	(1) Basic		1.37	0.62	0.75	0.20
	(2) Diluted		1.37	0.62	0.75	0.20

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

## Restated Statement of Cash Flow

(₹ in Lakhs)

Particulars	As on March 31, 2023	For the period ended October 16, 2022	As on March 31, 2022	As on March 31, 2021
<b>Cash flow from operating activities</b>				
<b>Profit/(loss) before tax</b>	<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
Non-cash adjustments to reconcile profit before tax to net cash flows				
Depreciation	5.08	5.29	10.82	12.83
Finance Cost	93.09	39.16	74.21	66.17
<b>Operating profit/(loss) before working capital changes</b>	<b>229.97</b>	<b>80.29</b>	<b>140.12</b>	<b>95.91</b>
<b>Movements in working capital:</b>				
Increase/(decrease) in trade payables	0.84	358.31	209.13	98.04
Increase/(decrease) in other current liabilities	66.32	38.63	(1.79)	3.85
Increase/(decrease) in short term provision	34.29	1.02	2.20	2.28
Decrease/(increase) in Other Non-current Assets	0.00	0.00	0.00	0.00
Decrease/(increase) in Inventories	(2,659.52)	(137.72)	(57.32)	(118.68)
Decrease/(increase) in trade receivables	(1,228.67)	(406.27)	(17.44)	(202.42)
Decrease/(increase) in short-term loans and advances	(325.71)	150.12	(246.36)	14.52
Decrease/(increase) in other Current Assets	(71.46)	(5.51)	3.02	31.19
<b>Cash generated from Operations</b>	<b>(3,953.94)</b>	<b>78.86</b>	<b>31.55</b>	<b>(75.33)</b>
Less: Direct taxes paid	0.00	(19.91)	(7.58)	(3.03)
<b>Net Cash from Operating Activities (A)</b>	<b>(3,953.94)</b>	<b>58.94</b>	<b>23.97</b>	<b>(78.36)</b>
<b>Cash flows from investing activities</b>				
Sale/(Purchase) of Fixed Assets	(56.89)	(6.44)	(1.40)	(6.40)
Investment in Fixed Deposit	(57.34)			
Investment in Deposit	(1.45)			
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(115.68)</b>	<b>(6.44)</b>	<b>(1.40)</b>	<b>(6.40)</b>
<b>Cash flow from financing activities</b>				
Acceptance / (Repayment) of Long Term Loan	1362.42	18.66	52.82	34.48
Acceptance / (Repayment) of Short Term Loan	1959.43	8.25	(16.92)	(59.92)
Proceeds from Issue of Shares	844.37			
Proceeds / (Repayment) - Partner's Capital	0.00	(26.58)	22.90	158.16
Minority Interest	0.11			
Finance Cost	(23.73)	(39.16)	(74.21)	(66.17)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>4,073.25</b>	<b>(38.82)</b>	<b>(15.41)</b>	<b>66.55</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3.63	13.68	7.15	(18.21)
Cash and cash equivalents at the beginning of the year	38.15	24.47	17.32	35.53
Cash and cash equivalents at the end of the year	41.77	38.15	24.47	17.32
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3.63</b>	<b>13.68</b>	<b>7.15</b>	<b>(18.21)</b>

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

## GENERAL INFORMATION

Our company was originally formed as a partnership firm in the name and style of “M/s. Mono Chemist” through partnership deed dated May 06, 1994. Promoters of our company Panilam Lakhatariya and Supal Lakhatariya joined the partnership firm on May 10, 2018, as partners of the firm. Further, our Promoters acquired 100% ownership of the partnership firm on July 25, 2019. Further, new partners i.e. Shivilal Gandadal Lakhatariya, Shardaben Shivilal Lakhatariya, Shivam Parag Chauhan, Archit Suhasbhai Shah and Pallaviben Suhasbhai Shah were added pursuant to deed of admission dated June 18, 2022. The partnership firm was then converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited vide Certificate of Incorporation dated October 17, 2022, was issued by the Registrar of Companies, Ahmedabad. The corporate identification number of our Company is U24304GJ2022PLC136193. For further details, please refer the chapter titled “History and Certain Corporate Matters” beginning on page 125 of this Prospectus.

### Registered Office of our Company

The address and certain other details of our Registered Office is as follows:

#### Mono Pharmacare Limited

1A, Krinkal Apartment Opp. Mahalaxmi Temple,  
Paldi Ahmedabad-380007, Gujarat.

**Tel No:** +91 99780 41356

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

**E-mail:** [info@monopharmacareltd.com](mailto:info@monopharmacareltd.com)

### Corporate identity number and registration number

Corporate Identity Number: U24304GJ2022PLC136193

Registration Number: 136193

### The Registrar of Companies

Our Company is registered with the RoC, which is situated at the following address:

ROC Bhavan, Opp. Rupal Park Society,  
Behind Ankur Bus Stop, Naranpura,  
Ahmedabad - 380013, Gujarat, India

### Board of Directors of our Company

Our Board of Directors comprises of the following directors as on the date of filing of this Prospectus:

Sr No	Name	Designation	DIN	Address
1.	Panilam Lakhatariya	Managing Director & Chairman	07659275	8, Rajvi Emerlad, Gala Gymkhana Road, Bopal, Ahmedabad-380058, Gujarat, India
2.	Supal Lakhatariya	Executive Director	07659180	8, Rajvi Emerlad, Gala Gymkhana Road, Bopal, Ahmedabad-380058, Gujarat, India
3.	Archit Shah	Executive Director	09737945	B-401, Shukan Lotus, Near Tulsi Bungalows, Chandlodiya, New S G Road, Chandlodiya, Ahmedabad-382481, Gujarat, India
4.	Mitul Sapara	Non-Executive Director	09008821	27, Prakashpark Society, B/h, Yogeshwar Apartment, Vejalpur,

Sr No	Name	Designation	DIN	Address
				Ahmedabad-380051, Gujarat, India
5.	Chinta Trivedi	Non-Executive Independent Director	10074674	B-402, Shailalekh Apartment, near green aarked, I P Savani Road, Adajan, Surat City, Surat-395009, Gujarat, India
6.	Gaurang Vora	Non-Executive Independent Director	01157447	54, Shyamal Row House, Part 2 Near Shyamal Cross Road, Satellite, Ahmedabad-380015, Gujarat, India.

**Company Secretary and Compliance Officer:**

**Krupali Thakkar**

**Mono Pharmacare Limited**

1A, Krinkal Apartment, Opp. Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India.

**Tel No:** +91 99780 41356

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

**E-mail:** [cs@monopharmacareltd.com](mailto:cs@monopharmacareltd.com)

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

**ALL GRIEVANCES RELATING TO THE ASBA PROCESS AND UPI PAYMENT MECHANISM MAY BE ADDRESSED TO THE REGISTRAR TO THE ISSUE, WITH A COPY TO THE RELEVANT DESIGNATED INTERMEDIARY WITH WHOM THE ASBA FORM WAS SUBMITTED. THE APPLICANT SHOULD GIVE FULL DETAILS SUCH AS NAME OF THE SOLE OR FIRST APPLICANT, ASBA FORM NUMBER, APPLICANT DP ID, CLIENT ID, UPI ID (IF APPLICABLE), PAN, DATE OF THE ASBA FORM, ADDRESS OF THE APPLICANT, NUMBER OF EQUITY SHARES APPLIED FOR AND THE NAME AND ADDRESS OF THE DESIGNATED INTERMEDIARY WHERE THE ASBA FORM WAS SUBMITTED BY THE ASBA APPLICANT.**

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

Book Running Lead Manager to the Issue	Registrar to the Issue
<p><b>Unistone Capital Private Limited</b> A/ 305, Dynasty Business Park, Andheri-Kurla Road, Andheri East, Mumbai – 400 059, Maharashtra, India. <b>Telephone:</b> +91 9820057533 <b>Email:</b> <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a> <b>Investor grievance email:</b> <a href="mailto:compliance@unistonecapital.com">compliance@unistonecapital.com</a> <b>Contact Person:</b> Brijesh Parekh <b>Website:</b> <a href="http://www.unistonecapital.com">www.unistonecapital.com</a> <b>SEBI Registration number:</b> INM000012449 <b>CIN:</b> U65999MH2019PTC330850</p>	<p><b>Bigshare Services Private Limited</b> S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. <b>Telephone:</b> +91 22 6263 8200 <b>Facsimile:</b> +91 22 6263 8299 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Contact Person:</b> Swapnil Kate <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>SEBI Registration Number:</b> INR00001385 <b>CIN:</b> U99999MH1994PTC076534</p>
Legal Advisor to the Issue	Statutory & Peer Reviewed Auditors

**Zastriya, Attorneys & Legal Consultants**  
**Address:** 37/38, 3rd floor, Landmark Tower, Mith Chowk, Link Road, Malad (West), Mumbai-400 064, Maharashtra, India.  
**Tel No.:** +91-9920120018/ +91-9920239759  
**Contact Person:** Nishant Rana and Chinmayee  
**Email Id:** [nishant.rana@zastriya.in](mailto:nishant.rana@zastriya.in), [Chinmayee.ghag@zastriya.in](mailto:Chinmayee.ghag@zastriya.in)

**Kumbhat & Co.**  
**Address:** 606, 6th Floor, Corporate Avenue, Sonawala Road, Goregoan (E), Mumbai-400063  
**Telephone:** 022-40146878  
**E-mail:** [gaurang@kumbhatco.in](mailto:gaurang@kumbhatco.in)  
**Contact Person:** Gaurang C. Unadkat  
**Firm Registration No.:** 001609S  
**Peer Review Certificate Number:** 012509

**Bankers to the Company**

**The Cosmos Co. Op. Bank Ltd**  
**Address:** 'Cosmos Bhavan', Opp. Sales India, Near Income tax circle, Ashram Road, Ahmedabad-380009  
**Telephone:** +91-9408754088  
**Fax:** NA  
**E-mail:** [pinkal.kapadia@cosmosbank.in](mailto:pinkal.kapadia@cosmosbank.in)  
**Website:** [www.cosmosbank.com](http://www.cosmosbank.com)  
**Contact Person:** Pinkal Kapadia

**Bankers to the Issue/Public Issue bank/ Escrow Collection Bank and Refund Banker**

**Kotak Mahindra Bank Limited**  
**Address:** Kotak Infiniti, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Malad (East). Mumbai – 400 097 Maharashtra, India.  
**Telephone:** 022-66056603  
**Fax:** 022-67132416  
**E-mail:** [cmsipo@kotak.com](mailto:cmsipo@kotak.com)  
**Website:** [www.kotak.com](http://www.kotak.com)  
**Contact Person:** Siddhesh Shirodkar

**Sponsor Bank**

**Kotak Mahindra Bank Limited**  
**Address:** Kotak Infiniti, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Malad (East). Mumbai – 400 097 Maharashtra, India.  
**Telephone:** 022-66056603  
**Fax:** 022-67132416  
**E-mail:** [cmsipo@kotak.com](mailto:cmsipo@kotak.com)  
**Website:** [www.kotak.com](http://www.kotak.com)  
**Contact Person:** Siddhesh Shirodkar  
**SEBI Cert Registration No:** INBI00000927  
**CIN No.:** L65110MH1985PLC038137

**Syndicate Member**

**Rikhav Securities Limited**  
**Address:** Office No. 922-A, 9th Floor, P.J. Tower, Dalal Street, Mumbai, Maharashtra-400 001  
**Telephone:** 022 69078300/400  
**E-mail:** [info@rikhav.net](mailto:info@rikhav.net)  
**Website:** [www.rikhav.net](http://www.rikhav.net)  
**Contact Person:** Hitesh Lakhani  
**SEBI Cert Registration No:** INZ000157737  
**CIN No.:** U99999MH1995PLC086635

**Changes in Auditors during last three Financial Years:**

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

Name of the Auditor	M/s. Kumbhat & Co., Chartered Accountants	*M/s. R K Mergu & Co, Chartered Accountants	*M/s. Arun Bhakkad & Co., Chartered Accountants
FRN	001609S	136876W	133147W
Peer Review No.	012509	-	-
Email ID	<a href="mailto:gaurang@kumbhatco.in">gaurang@kumbhatco.in</a>	<a href="mailto:caritesh2902@gmail.com">caritesh2902@gmail.com</a>	<a href="mailto:aruncanov2009@gmail.com">aruncanov2009@gmail.com</a>
Address	606, 6 <sup>th</sup> floor, Corporate Avenue Sonawala X Road, Goregaon (E) Mumbai, Maharashtra, India	C-84, Mangal Tirth Society, Nr Jashodanagar Bridge, Jashoda Cross Road, Ahmedabad-382445, Gujarat, India.	315, Tulsi Complex, Near Mithakali Six Roads, Navragpura, Ahmedabad-380009, Gujarat, India.

<b>Reason for Change</b>	First Auditor appointment in the Company	NA	NA
<b>Date of Appointment</b>	October 25, 2022	NA	NA

*\*Appointed as Statutory auditor in the M/s Mono Chemist.*

### **Investor grievances**

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/ or the BRLM, in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non- receipt of funds by electronic mode.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stockbroker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

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

### **Filing**

The Offer Document shall be filed with NSE situated at Exchange Plaza, C/1, G Block, Bandra-Kurla Complex, Bandra (East) -400 051, Maharashtra, India

The Offer Document will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Offer Document shall be furnished to the Board (SEBI) 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 Offer Document 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 32 of the Companies Act, 2013 would be filed with the RoC and copy of the Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Statement of *inter se* allocation of Responsibilities for the Issue**

Unistone Capital Pvt. Ltd. (Unistone) is the sole Book Running Lead Manager (BRLM) to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

### **Designated Intermediaries**

#### **Self-Certified Syndicate Banks (SCSBs)**

The list of Designated Branches that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. For more information on the Designated Branches collecting ASBA Forms, see the above-mentioned SEBI link.

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

#### **Syndicate SCSB Branches**

In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For more information on such branches collecting Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>).

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

The list of Self Certified Syndicate Banks eligible as sponsor banks for UPI Mechanism, including details such as name and contact details, are provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>, or such other websites as updated from time to time.

#### **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 to the Issue and Share Transfer Agents**

For details on registered Registrar to the issue and Share Transfer Agents (RTAs), including details such as address, telephone number and e-mail address, please refer to the below mentioned link available on SEBI website:

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>.

#### **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 websites of BSE at

<http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and on the website of NSE at [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

### **Experts**

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Prospectus in relation to the (a) Statutory and Peer Review Auditors' reports on the Restated Financial Statements (b) Statement of Possible Tax Benefit (c) Restated Consolidated Financial Statements and such consent has not been withdrawn as on date of this RHP.

### **Brokers to the Issue**

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

### **Credit Rating**

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

### **Trustees**

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

### **Debenture Trustees**

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

### **Green Shoe option**

The option of allotting equity shares in excess of the equity shares issued in the public issue is not exercised by the company. Therefore, green shoe option is not exercised by the Company.

### **IPO Grading**

No credit agency registered with SEBI has been appointed in respect of obtaining grading of the Issue.

### **Monitoring Agency**

As per Regulation 262 of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000 Lakh and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

### **Appraising Entity**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

### **Book Building Process**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered Office is located), each with wide circulation, at least two working days prior to the Bid/ Issue Opening Date. The Issue Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders shall mandatorily participate in the Issue only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Issue through UPI in the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date.

Each Bidder by submitting a Bid in Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLM to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Issue.

Bidders should note that this Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchange, which our Company shall apply for after Allotment.

For further details, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 221 and 225, respectively of this Prospectus.

## **ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “*Issue Procedure*” on page 225 of this Prospectus.

### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

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

the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

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

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

### Underwriting

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated August 16, 2023 entered into by the Company and the Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

(₹ in lakhs)			
Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
<b>Unistone Capital Private Limited</b> <b>Address:</b> A/305, Dynasty Business Park Andheri Kurla Road, Andheri East, Mumbai- 400059, Maharashtra, India. <b>Telephone No.:</b> +919820057533 <b>Email:</b> <a href="mailto:mb@unistonecapital.com">mb@unistonecapital.com</a>	53,00,000	1,484.00	100%

As per Regulation 260 of SEBI (ICDR) Regulations, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 100% of the Issue out of its own account. In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full. The above-mentioned Underwriter are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange

### Details of Market Making Arrangement for the Issue

Our Company has entered into Market Making Agreement dated August 16, 2023 with the following Market Maker to fulfil the obligations of Market Making for this issue:

<b>Name</b>	Rikhav Securities Limited
<b>Correspondence Address:</b>	Office No. 922-A, 9th Floor, P.J. Tower, Dalal Street, Mumbai, Maharashtra – 400 001
<b>Tel No.:</b>	022-69078300
<b>E-mail:</b>	<a href="mailto:info@rikhav.net">info@rikhav.net</a>
<b>Website:</b>	<a href="http://www.rikhav.net">www.rikhav.net</a>
<b>Contact Person:</b>	Hitesh Lakhani
<b>SEBI Registration No.:</b>	INZ000157737
<b>Market Maker Registration No.</b>	U99999MH1995PLC086635

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the 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 Limited from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
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 Limited 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 or 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 price 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.
9. The Market Maker shall have the right to terminate the said arrangement by giving a three months-notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

10. **Risk containment measures and monitoring for Market Maker:** Emerge Platform of NSE Limited 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.

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

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.

12. Price Band and Spreads: SEBI Circular bearing reference no: *CIR/MRD/DP/02/2012* dated *January 20, 2012*, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

13. 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 Rs. 20 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

All the above-mentioned conditions and systems regarding the Market Making Arrangement, trading and other related aspects are subject to the applicable provisions of law, changes or additional regulations and guidelines from SEBI / Stock Exchange from time to time.

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

## CAPITAL STRUCTURE

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this Prospectus, is set forth below:

		<i>Amount (₹ in Lakhs except share data)</i>	
Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price <sup>(1)</sup>
<b>I.</b>	<b>Authorized share capital<sup>(2)</sup></b>		
	2,00,00,000 Equity Shares of ₹10 each	2,000.00	--
<b>II.</b>	<b>Issued, subscribed and paid-up share capital prior to the Issue<sup>(3)</sup></b>		
	1,23,68,564 Equity Shares of ₹10 each	1,236.86	--
<b>III.</b>	<b>Present Issue in terms of the Prospectus</b>		
	Fresh Issue of 53,00,000 Equity Shares of ₹10 each at a price of ₹ 28 per Equity Share <sup>(4)</sup>	530.00	1,484.00
<b>IV.</b>	<b>Issued, subscribed and paid-up share capital after to the Issue</b>		
	Upto 1,76,68,564 Equity Shares of ₹ 10 each	1,766.86	
<b>V.</b>	<b>Securities premium account</b>		
	Before the Issue	48.88	
	After the Issue	1,002.88	

<sup>(1)</sup> To be updated upon finalisation of the Issue Price

<sup>(2)</sup> For details in relation to the changes in the authorised share capital of our Company since incorporation, see "History and Certain Corporate Matters" on page 125.

<sup>(3)</sup> As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

<sup>(4)</sup> The Issue has been authorized by a resolution of our Board dated March 21, 2023 and a special resolution of our Shareholders passed in the EGM dated March 22, 2023.

### Class of Shares

Our Company has only one class of share capital i.e. Equity Shares of ₹ 10/- each. All Equity Shares issued are fully paid up.

Our Company does not have any outstanding convertible instruments as on the date of this Prospectus.

### Changes in the authorised share capital of our Company

Sr. No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorize Share Capital (Amount in ₹)	Date of Meeting	Whether AGM/ EGM
1	Upon Incorporation (October 17, 2022)	10,000	1,00,000	NA	NA
2	Increase in Authorised Share Capital from ₹ Ten Lakh to ₹ Twenty Crore	2,00,00,000	20,00,00,000	November 10, 2022	EGM

For details of the changes to the authorised share capital of our Company, see "History and Certain Corporate Matters-Amendments to our Memorandum of Association" on page 125 of this Prospectus.

### Notes to the Capital Structure

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

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

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (₹)
Upon Incorporation (October 17, 2022)	1,00,000	10	10	Cash	Subscription to MOA pursuant conversion of Partnership Firm*	1,00,000	10,00,000
January 27, 2023 <sup>(ii)</sup>	43,13,650	10	10	Cash	Shares issued against the Partners Current Capital	44,13,650	4,41,36,500
January 30, 2023 <sup>(iii)</sup>	50,81,699	10	12	Other than Cash	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (proprietorship firm of Panilam Lakhatariya)	94,95,349	9,49,53,490
February 25, 2023 <sup>(iv)</sup>	5,27,520	10	NA	Other than Cash	Bonus Issue	1,00,22,869	10,02,28,690
March 15, 2023 <sup>(v)</sup>	23,45,695	10	10	Cash	Rights Issue	1,23,68,564	12,36,85,640
<b>Total</b>	<b>1,23,68,564</b>						

\*Equity Shares allotted pursuant to conversion of M/s. Mono Chemist; Partnership Firm into the Company under Part I of Chapter XXI of the Companies Act, 2013, the Initial Subscribers to Memorandum of Association subscribed 1,00,000 Equity Shares of face value of ₹ 10/- each fully paid up, at par against the outstanding credit balance of Partners Fixed Capital Account.

(i) **Initial Subscribers to Memorandum of Association subscribed 1,00,000 Equity Shares of face value of ₹10/- each fully paid at par as per the details given below:**

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Supal Lakhatariya	50,000
2.	Panilam Lakhatariya	49,000
3.	Archit Shah	200
4.	Pallaviben Shah	200
5.	Shardaben Lakhtaria	200
6.	Shivam Chauhan	200
7.	Shivlal Lakhtaria	200
<b>Total</b>		<b>1,00,000</b>

(ii) *Equity Shares issued against the partner's current capital, 43,13,650 Equity shares of face value of ₹ 10/- each fully paid at par of as per the details given below:*

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Supal Lakhatariya	18,38,539
2.	Panilam Lakhatariya	24,73,601
3.	Archit Shah	302
4.	Pallaviben Shah	302
5.	Shardaben Lakhtaria	302
6.	Shivam Chauhan	302
7.	Shivlal Lakhtaria	302
<b>Total</b>		<b>43,13,650</b>

(iii) *Further Allotment of 50,81,699 Equity Shares of Face Value of ₹ 10/- each as consideration for takeover of running business of M/s DLS Export [Proprietorship firm of Panilam Lakhatariya] to the following Shareholder:*

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Panilam Lakhatariya	50,81,699
<b>Total</b>		<b>50,81,699</b>

(iv) *Bonus Issue of 5,27,520 Equity Shares of face value of ₹10/- each as per the details given below:*

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Supal Lakhatariya	1,04,919
2.	Panilam Lakhatariya	4,22,461
3.	Archit Shah	28
4.	Pallaviben Shah	28
5.	Shardaben Lakhtaria	28
6.	Shivam Chauhan	28
7.	Shivlal Lakhtaria	28
<b>Total</b>		<b>5,27,520</b>

(v) *Rights Issue of 23,45,695 Equity Shares of face value of ₹10/- each as per the details given below:*

Sr. No.	Name of the Person	No. of Shares Allotted
1.	Harshad Sheth	5,55,500
2.	Prashil Shah	3,15,561
3.	Chirag Parekh	5,55,611
4.	Ameesh Shah	2,25,555
5.	Noopur Shah	2,00,000
6.	Nishil Shah	1,50,000
7.	Sanyuktaben Mehta	1,30,000
8.	Arunaben Dhandhara	90,000
9.	Yogeshkumar Shah	63,468
10.	Disha Kamdar	60,000
<b>Total</b>		<b>23,45,695</b>

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

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of allotment	Benefits accrued by our Company
January 30, 2023	50,81,699	10	12	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (Proprietorship firm of Panilam Lakhatariya)	Takeover of business
February 25, 2023	5,27,520	10	10	Bonus Issue	Capitalization of Free Reserves
<b>Total</b>	<b>56,09,219</b>				

*\*Equity Shares allotted pursuant to conversion of M/s. Mono Chemist; Partnership Firm into the Company under Part I of Chapter XXI of the Companies Act, 2013, the Initial Subscribers to Memorandum of Association subscribed 1,00,000 Equity Shares of face value of ₹ 10/- each fully paid up, at par against the outstanding credit balance of Partners Fixed Capital Account.*

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

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

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

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for such Issue	Names of Shareholders
Upon Incorporation (October 17, 2022)	1,00,000	10	10	Subscription to MOA pursuant conversion of Partnership Firm*	1. Supal Lakhatariya 2. Panilam Lakhatariya 3. Archit Shah 4. Pallaviben Shah 5. Shardaben Lakhtaria 6. Shivam Chauhan 7. Shivlal Lakhtaria
January 27, 2023	43,13,650	10	10	Shares issued against the Partners Current Capital	1. Supal Lakhatariya 2. Panilam Lakhatariya 3. Archit Shah 4. Pallaviben Shah 5. Shardaben Lakhtaria 6. Shivam Chauhan 7. Shivlal Lakhtaria
January 30, 2023	50,81,699	10	12	Preferential issue (Conversion other than cash upon takeover of	1. Panilam Lakhatariya

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for such Issue	Names of Shareholders
				running business of M/s DLS Export (Proprietorship firm of Panilam Lakhatariya)	
February 25, 2023	5,27,520	10	10	Bonus Issue	1.Supal Lakhatariya 2.Panilam Lakhatariya 3.Archit Shah 4.Pallaviben Shah 5.Shardaben Lakhtaria 6.Shivam Chauhan 7.Shivlal Lakhtaria
March 15, 2023	23,45,695	10	10	Rights Issue	1. Harshad Sheth 2. Prashil Shah 3. Chirag Parekh 4. Ameer Shah 5. Noopur Shah 6. Nishil Shah 7. Sanyuktaben Mehta 8. Arunaben Dhandhara 9. Yogeshkumar Shah 10.Disha Kamdar
<b>Total</b>	<b>1,23,68,564</b>				

*\*Equity Shares allotted pursuant to conversion of M/s. Mono Chemist; Partnership Firm into the Company under Part I of Chapter XXI of the Companies Act, 2013, the Initial Subscribers to Memorandum of Association subscribed 1,00,000 Equity Shares of face value of ₹ 10/- each fully paid up, at par against the outstanding credit balance of Partners Fixed Capital Account.*

2. As on the date of this Prospectus, our Company does not have any outstanding preference shares.
3. **Equity Shares issued pursuant to employee stock option schemes:**  
As on date of this Prospectus, our Company has not issued Equity Shares pursuant to the ESOP Plan and ESARP Plan (Employees Stock Appreciation Right Plan).
4. Our Company has not revalued its assets since inception and has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves.
5. The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given here below:

<b>Sr. No.</b>	<b>Particular</b>	<b>Yes/No</b>	<b>Promoters and Promoter Group</b>	<b>Public Shareholder</b>	<b>Non-Promoter – Non-Public</b>
1.	Whether the Company has issued any partly paid-up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4.	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	No	No
7.	Whether company has equity shares with differential voting rights?	No	No	No	No

\* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of NSE Limited.

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

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Prospectus.

## Summary of Shareholding Pattern

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C <sup>2</sup> )	Number of Voting Rights held in each class of securities <sup>1</sup>				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C <sup>2</sup> )	Number of Locked in shares <sup>3</sup>		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form <sup>4</sup>
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (b)	No.	As a % of total Shares held (b)	
								Class Equity Shares of ₹10/- each <sup>2</sup>	Class Y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII	XIV	
(A)	Promoters & Promoter Group	6	1,00,22,339	-	-	1,00,22,339	81.03	1,00,22,339	-	1,00,22,339	81.03	-	81.03	-	-	1,00,22,339		
(B)	Public	11	23,46,225	-	-	23,46,225	18.97	23,46,225	-	23,46,225	18.97	-	18.97	-	-	5,55,555		
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total</b>	<b>17</b>	<b>1,23,68,564</b>	-	-	<b>1,23,68,564</b>	<b>100.00</b>	<b>1,23,68,564</b>	-	<b>1,23,68,564</b>	<b>100.00</b>	-	<b>100.00</b>	-	-	<b>1,05,77,894</b>		

Note:

<sup>1</sup>As on date of this Prospectus 1 Equity share holds 1 vote

<sup>2</sup>We have only one class of Equity Shares of face value of ₹ 10/- each.

<sup>3</sup>All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on Emerge Platform of National Stock Exchange of India Limited.

<sup>4</sup>In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are in the dematerialised form.

6. All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.
7. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
8. The list of the shareholders of the company holding 1% or more of the paid-up share capital of the company:

**a. As on the date of the Prospectus:**

No.	Name of the Shareholder	Number of Equity Shares	% of pre-Issue paid up capital
1.	Panilam Lakhatariya	80,26,761	64.90
2.	Supal Lakhatariya	19,93,458	16.12
3.	Chirag Parekh	5,55,611	4.49
4.	Harshad Sheth	5,55,500	4.49
5.	Prashil Shah	3,15,561	2.55
6.	Amees Shah	2,25,555	1.82
7.	Jitendra Khandol	2,00,000	1.62
8.	Kaushik Madhavi	1,50,000	1.21
9.	Sanyuktaben Mehta	1,30,000	1.05
	<b>Total</b>	<b>1,21,52,446</b>	<b>98.25</b>

**b. Two (2) year and One (1) prior to the date of the Prospectus:**

Not applicable as our Company incorporated on October 17, 2022.

**c. Ten (10) days prior to the date of the Prospectus:**

No.	Name of the Shareholder	Number of Equity Shares	% of pre-Issue paid up capital
1.	Panilam Lakhatariya	80,26,761	64.90
2.	Supal Lakhatariya	19,93,458	16.12
3.	Chirag Parekh	5,55,611	4.49
4.	Harshad Sheth	5,55,500	4.49
5.	Prashil Shah	3,15,561	2.55
6.	Amees Shah	2,25,555	1.82
7.	Jitendra Khandol	2,00,000	1.62
8.	Kaushik Madhavi	1,50,000	1.21
9.	Sanyuktaben Mehta	1,30,000	1.05
	<b>Total</b>	<b>1,21,52,446</b>	<b>98.25</b>

9. There will not be any further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the date of listing of Equity Shares or refund of application monies in pursuance of the Prospectus. However, our Company may alter its capital structure by way of split/consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutional placements, within a period of six months from the date of opening of the present 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 of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

## 10. Build-up of our Promoters and Shareholding of our Promoters:

### a. Build-up of our Promoters:

As on the date of this Prospectus, our Promoters, Panilam Lakhatariya and Supal Lakhatariya collectively hold 1,00,20,219 Equity Shares, which constitutes 81.02% of the pre-issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

#### A. Panilam Lakhatariya

Date of Allotment/ Transfer / when made fully paid up	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre issue equity share capital	% of post issue equity share capital
On Incorporation (October 17, 2022)	49,000	10	10	Cash	Subscription to MOA pursuant conversion of Partnership Firm	0.40%	0.28%
January 27, 2023	24,73,601	10	10	Cash	Shares Issued against the partner current Capital	20.00%	14.00%
January 30, 2023	50,81,699	10	12	Other than Cash	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (proprietorship firm of Panilam Lakhatariya)	41.09%	28.76%
February 25, 2023	4,22,461	10	NA	Other than Cash	Bonus Issue	3.42%	2.39%
<b>Total</b>	<b>80,26,761</b>					<b>64.90%</b>	<b>45.43%</b>

#### B. Supal Lakhatariya

Date of Allotment/ Transfer / when made fully paid up	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre issue equity share capital	% of post issue equity share capital
On Incorporation	50,000	10	10	Cash	Subscription to MOA pursuant	0.40%	0.28%

Date of Allotment/ Transfer / when made fully paid up	Number of Equity Shares	Face Value Per Share (₹)	Issue/ Acquisition/ Sale Price per Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of pre issue equity share capital	% of post issue equity share capital
(October 17, 2022)					conversion of Partnership Firm		
January 27, 2023	18,38,539	10	10	Cash	Shares Issued against the partner current Capital	14.87%	10.41%
February 25, 2023	1,04,919	10	NA	Other than Cash	Bonus Issue	0.85%	0.59%
<b>Total</b>	<b>19,93,458</b>					<b>16.12%</b>	<b>11.28%</b>

11. As on the date of this Prospectus, our Company have 17 (Seventeen) shareholders.

12. Details of the Pre and Post Issue Shareholding of our Promoters and Promoter Group is as below:

Particulars	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
<b>Promoters</b>				
Panilam Lakhatariya	80,26,761	64.90%	80,26,761	45.43%
Supal Lakhatariya	19,93,458	16.12%	19,93,458	11.28%
<b>Total (A)</b>	<b>1,00,20,219</b>	<b>81.02%</b>	<b>1,00,20,219</b>	<b>56.71%</b>
<b>Promoter Group</b>				
Archit Shah	530	Negligible	530	Negligible
Pallaviben Shah	530	Negligible	530	Negligible
Shardaben Lakhtaria	530	Negligible	530	Negligible
Shivlal Lakhtaria	530	Negligible	530	Negligible
<b>Total (B)</b>	<b>2,120</b>	<b>Negligible</b>	<b>2,120</b>	<b>0.01%</b>
<b>Total (A+B)</b>	<b>1,00,22,339</b>	<b>81.02%</b>	<b>1,00,22,339</b>	<b>56.72%</b>

13. None of our shareholders belonging to Promoters and Promoter Group, Directors and their relatives have purchased or sold the Equity Shares of our Company during the past six months immediately preceding the date of filing the Prospectus.

14. Promoter's Contribution and other Lock-in details

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

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, an aggregate of at least 20% of the fully diluted post issue Equity Share capital of our Company held by the Promoters shall be

considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked in for a period of three years from the date of Allotment of Equity Shares and the shareholding of the Promoters in excess of 20% of the fully diluted post issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of allotment, are set out in the following table:

Name of Promoters	No. of Equity Shares Locked in	Post- Issue equity share capital %
Panilam Lakhatariya	35,36,000	20.01%
<b>Total</b>	<b>35,36,000</b>	<b>20.01%</b>

*All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be. For details regarding allotment of the above Equity Shares, please refer section "History of Paid-up Share Capital of our Company".*

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20.01% of the fully diluted post issue Equity Share capital of our Company as the Promoter's Contribution. Our Promoters has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of the Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter's contribution of 20% as shown above which is subject to lock-in for three years, we confirm the following:

Reg. No	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1)(a)(i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets. <b><u>Hence Eligible</u></b>
237 (1)(a)(ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Eligible</u></b>

Reg. No	Promoter's Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1)(b)	Specified securities acquired by the promoters' and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being issued to the public in the initial public offer.	The minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Not Applicable.</u></b>
237 (1)(c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management.	The minimum Promoter's contribution does not consist of Equity Shares allotted to alternative investment funds. <b><u>Hence Not applicable.</u></b>
237 (1)(d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b><u>Hence Not Applicable.</u></b>

**b) Compliance with Lock-in Requirements:**

The entire pre-issue paid-up capital of the Company shall remain locked in as per requirements of Regulations 238 & 239 of the SEBI ICDR Regulations as detailed hereinafter:

- i. As required by clause (a) of Regulation 238, Minimum Promoters' Contribution i.e. 35,36,000 equity shares held by our promoters Panilam Lakhatariya which shall 20.01% of proposed post-issue paid up capital shall be locked-in for a period of three years from the date of allotment in the Initial Public Offer.
- ii. As required by clause (b) of Regulation 238, the excess of minimum promoters' contribution i.e. 64,84,219 equity shares held by our Promoters shall be locked-in for a period of one year from the date of allotment in present initial public offer; and
- iii. As required by Regulation 239, the entire pre-issue capital held by persons other than the promoter as per details provided hereinafter, shall be locked-in for a period of one year from the date of allotment in the present initial public offer.

**15. The average cost of acquisition of or subscription of shares by our promoters is set forth in the table below:**

<b>Sr. No.</b>	<b>Name of the Promoters</b>	<b>No. of Shares held</b>	<b>Average cost of Acquisition (₹ Per share)</b>
1.	Panilam Lakhatariya	80,26,761	10.73
2.	Supal Lakhatariya	19,93,458	9.47

**16.**Our Company, our Directors and the Book Running Lead Manager have not entered into any buy back arrangements for the purchase of Equity Shares being issued through the Prospectus from any person.

**17.**All the Equity Shares of our Company are fully paid up as on the date of the Prospectus.

**18.** Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares only.

**19.**The Book Running Lead Manager and their associates do not hold any Equity Shares of our Company as on the date of this Prospectus. The BRLM and its 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 investment banking transactions with our Company for which they may receive customary compensation.

**20.**No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

## OBJECTS OF THE ISSUE

The issue comprises of fresh issue of 53,00,000 equity shares of our company at an issue price of ₹ 28 per equity share. We intend to utilize the proceeds of the issue to meet the following objects:

1. To meet the working capital requirements;
2. General corporate purposes; and
3. To meet the issue expenses

(Collectively referred as the “Objects”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange and enhancement of our Company’s brand name. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to 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 our Company through the Issue.

### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in lakhs)
Gross proceeds of the issue	1484.00
Less: Issue Expenses	220.00
<b>Net proceeds</b>	<b>1264.00</b>

### Schedule of implementation, requirement of funds and utilization of net proceeds

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

Particulars	Total estimated cost	Amount to be financed from Net Proceeds	Estimated utilization of Net Proceeds in FY 2024
To meet the working capital requirements	898.00	898.00	898.00
General corporate purposes*	366.00	366.00	366.00
Issue Expenses	220.00	220.00	220.00
<b>Total</b>	<b>1,484.00</b>	<b>1,484.00</b>	<b>1,484.00</b>

\* Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled financial year is not completely met, due to the reasons stated above, the same shall be utilised in the next financial year, as

may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations

### Means of finance

Since the entire fund requirement of ₹ 1264.00 will be met from the Net Proceeds hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230 (1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

### Details of the Objects of the Issue

#### 1. To meet the working capital requirements

We are engaged in the business of marketing of pharmaceutical products and also, we are distributors of various pharmaceutical companies. We work with various contract manufacturers who manufacture pharmaceutical products on our behalf based on compositions given by us and subsequently we sell those products under our brand “DLS Export”. We are also distributors to various pharmaceutical companies. At present, we fund a majority of our working capital requirements in the ordinary course of business from borrowing and internal accruals.

### Basis of estimation of working capital requirement

The details of our company’s working capital as at March 31, 2021, March 31, 2022, and March 31, 2023 and for the period ended 31, 2022, the source of funding, on the basis of restated financial statements of our Company, as certified by our Auditors, through their certificate dated August 21, 2023, are provided in the table below:

	<i>(₹ in lakhs)</i>			
Particulars	As at March 31, 2021	As at March 31, 2022	As at December 31, 2022	As at March 31, 2023
<b><i>Current Assets</i></b>				
Inventories	414.05	471.37	1,459.84	1,518.12
Trade Receivables	534.66	552.10	800.19	808.39
Cash and Cash Equivalents	17.32	24.47	53.73	22.86
Other Current Assets	5.37	2.35	214.56	26.27
<b>Total current assets (A)</b>	<b>971.39</b>	<b>1,050.29</b>	<b>2,528.31</b>	<b>2,375.64</b>
<b><i>Current Liabilities</i></b>				
Trade payables	125.46	334.59	299.11	209.33
Other current liabilities	7.61	5.82	24.37	61.94
Short term provisions	11.78	26.40	58.92	44.85
<b>Total current liabilities (B)</b>	<b>144.85</b>	<b>366.81</b>	<b>382.40</b>	<b>316.12</b>
<b>Net working capital (A-B)</b>	<b>826.54</b>	<b>683.48</b>	<b>2,145.91</b>	<b>2,059.52</b>
<b><i>Source of funds</i></b>				
Borrowings and internal accruals	608.03	683.48	1,142.17	2,059.52

Particulars	As at March 31, 2021	As at March 31, 2022	As at December 31, 2022	As at March 31, 2023
Amount proposed to be utilized from Net Proceeds	-	-	-	-

On the basis of existing and estimated working capital requirement of our Company, and key assumptions for such working capital requirements, which are mentioned below, our Board pursuant to its resolution dated August 22, 2023, has approved the projected working capital requirements for financial years 2024, and the proposed funding of such working capital requirements as set forth in the table below:

Particulars	As at March 31, 2024
<i>(₹ in lakhs)</i>	
<b>Current Assets</b>	
Inventories	1,928.76
Trade Receivables	1,631.78
Cash and Cash Equivalents	60.00
Other Current Assets	266.48
<b>Total current assets (A)</b>	<b>3,887.02</b>
<b>Current Liabilities</b>	
Trade payables	669.71
Other current liabilities	29.49
Short term provisions	37.48
<b>Total current liabilities (B)</b>	<b>736.68</b>
<b>Net working capital (A-B)</b>	<b>3,150.35</b>
<b>Source of funds</b>	
Borrowings and internal accruals	2,252.35
Amount proposed to be utilized from Net Proceeds	898.00

\* Pursuant to certificate issued by our Auditor M/s Kumbhat & Co., Chartered Accountants dated August 21, 2023

#### Assumptions for our estimated working capital requirements

Particulars (in days)	As at			
	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024
<b>Current assets</b>				
<b>Inventories</b>	54	49	70	72
<b>Trade receivables</b>	69	54	54	60
<b>Current liabilities</b>				
<b>Trade payables</b>	17	35	24	25

#### Justifications

Particulars	Justification
Inventories	Inventory days is expected to be 70 days in FY 2023 as compared to 49 days in FY 2022. This is due to combining inventory of DLS Exports. Going forward, we expect our inventory days to increase to be 72 days in FY 2024.
Trade receivables	Trade receivables days for FY 2022 was 54 days and we expect our debtor cycle to remain same for FY 2023. Going forward, we expect our trade receivables days to be 60 days in FY 2024
Trade payables	Trade payables days is expected to be 24 days in FY 2023 as compared to 35 days in FY 2022 as we expect to do early payments to our creditors. Going forward, we expect our trade payables days to be 25 days in FY 2024

#### 2. General corporate purposes

Our Company proposes to deploy the balance proceeds, aggregating to ₹ 366.00 lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise net proceeds include, business development initiatives, meeting any expense including salaries, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, and similar other expenses incurred in the ordinary course of our business or towards any exigencies. The quantum of utilisation of funds towards each of the above purposes will be determined by our board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the net proceeds towards other purposes considered expedient and as approved periodically by our board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of net proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of net proceeds in a financial year, we will utilize such unutilized amount in the subsequent financial years.

### Issue related expenses

The break-up for the estimated issue related expenses are as set forth below:

Activity expense	Amount (₹ in lakhs)	Percentage of total estimated issue expenses <sup>(1)</sup>	Percentage of issue size <sup>(1)</sup>
Issue relating expenses such as fees to Book Running Lead manager Fixed Fee, Registrar to the Issue, Legal Advisors, Auditors, statutory advertisements and other expenses incurred / to be incurred including promotional expenses	61.00	27.73%	4.11%
Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(2)(3)</sup> )	148.72	67.60%	10.02%
Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees, other regulatory expenses and sundry expenses.	10.28	4.67%	0.69%
<b>Total estimated Issue expenses</b>	<b>220.00</b>	<b>100.00%</b>	<b>14.82%</b>

Notes:

1. The fund deployed towards issue expenses is ₹ 1.50 lakhs pursuant to certificate issued by our Statutory Auditor and Peer Review Auditors M/s Kumbhat & Co., Chartered Accountants dated August 21, 2023 and the same will be recouped out of issue expenses.

2. *Includes Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non – Institutional Applicants, would be 0.15% on the allotment amount on the application wherein shares are allotted.*
3. *Includes commission/Processing fees of ₹ 10 per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds ₹ 1.00 lakhs, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed ₹ 1.00 lakhs.*

### **Interim use of Net Proceeds**

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### **Bridge Financing Facilities**

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

### **Monitoring Utilization of Funds**

As the size of the Issue will not exceed ₹ 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Issue Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full

### **Variation in Objects**

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

### **Other confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, our Directors, our Key Management Personnel or our Group Company. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Management Personnel or our Group Company.

Further, pursuant to the issue, the Net Proceeds received by our Company shall only be utilised for objects identified by our Company and for general corporate purposes and none of our Promoter, Promoter Group, Group Companies of our Company, as applicable, shall receive a part of or whole Net Proceeds directly or indirectly.

## BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the quantitative and qualitative factors described below. Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 103, 28, 151 and 179, respectively, of this RHP to have an informed view before making an investment decision.

### **Qualitative factors**

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

- Experienced promoters and management team with industry knowledge and an established track record.
- Asset-light business model and competitive products.
- Scalable Business Model
- Wide and diverse range of product offerings

For further details, see “Our Business – Strengths” on page 103 of this RHP.

### **Quantitative factors**

Some of the information presented below relating to our Company is derived from the Restated Financial Statements.

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

#### **I. Basic and diluted earnings per share (“EPS”)**

<b>Financial Year</b>	<b>Basic and Diluted EPS (in ₹)</b>	<b>Weights</b>
Fiscal 2023	1.99	3
Fiscal 2022	0.75	2
Fiscal 2021	0.20	1
<b>Weighted Average</b>	<b>1.28</b>	

Notes:

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
2. Basic and diluted EPS are based on the Restated Financial Information.
3. The face value of each Equity Share is ₹10.
4. Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares during the respective year/period.
5. Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’.
6. The figures disclosed above are based on the Restated Financial Statements.
7. Pursuant to a resolution of Board of Directors dated February 16, 2023, and the shareholders meeting dated February 20, 2023, the Company approved issue one bonus shares of face value ₹ 10 each for every eighteen existing fully paid-up equity share of face value ₹ 10 each. The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of net asset value per equity shares.

#### **II. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ 26 to ₹ 28 per Equity Share:**

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
P/E ratio based on Basic EPS for Fiscal 2023	13.07	14.07
P/E ratio based on Diluted EPS for Fiscal 2023	13.07	14.07

\*To be updated at Prospectus stage.

Note: Price / Earning (P / E) ratio is computed by dividing the price per share by earnings per share.

### Industry Peer Group P/E ratio

Particulars	Industry P/E (Number of times)
Industry Peer P/E	112.50

Notes:

1. The industry peer P/E has been considered from the industry peer being Chandra Bhagat Pharma Limited
2. All the financial information for listed industry peers mentioned above is sourced from the standalone audited financial statements of the relevant companies for Fiscal 2023, as available on the BSE SME.

### III. Return on Net Worth (“RoNW”)

Derived from the Restated Financial Statements:

Fiscal	RoNW (%)	Weight
Fiscal 2023	9.01%	3
Fiscal 2022	8.21%	2
Fiscal 2021	2.57%	1
<b>Weighted Average</b>	<b>7.67%</b>	<b>6</b>

Notes:

1. Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights.
2. The figures disclosed above are based on the Restated Financial Statements of our Company.
3. Return on Net Worth (%) = Restated Profit/(loss) attributable to owners of the holding company/ net worth at the end of the year/ period;
4. Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the company, excluding non-controlling interest)

### IV. Net asset value per Equity Share (face value of ₹ 10 each)

Net Asset Value per Equity Share derived from the Restated Financial Statements:

Particulars	Amount (₹)
Net Asset Value per Equity Share as of March 31, 2023	19.92
After completion of the Issue	
(i) At Floor price	22.57
(ii) At Cap Price	23.44
<b>Issue Price per equity share</b>	<b>28.00</b>

Notes:

1. Net Asset Value per Equity Share is calculated as total equity divided by weighted average number of equity shares outstanding during the respective year/period.
2. Pursuant to a resolution of Board of Directors dated February 16, 2023, and the shareholders meeting dated February 20, 2023, the Company approved issue one bonus shares of face value ₹ 10 each for every eighteen existing fully paid-up equity share of face value ₹ 10 each. The impact

of issue of bonus shares are retrospectively considered for the computation of net asset value per equity shares.

#### V. Comparison with listed industry peer:

Following is the comparison with our peer companies listed in India:

Name of the Company	For the year ended March 31, 2023						
	Face value (₹)	Revenue from operations (₹ in Lakhs) <sup>(1)</sup>	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on average net worth (%)	NAV per Equity Share (₹)
Mono Pharmacare Limited	10	5,847.64	1.99	1.99	14.07	9.01%	19.92
<b>Peer Group</b>							
Chandra Bhagat Pharma Limited	10	11,967.22	1.20	1.20	112.50	3.29%	36.42

Source: All the financial information for listed industry peers mentioned above is on a standalone basis sourced from the Annual Reports of the peer company uploaded on the BSE SME website for the year ended March 31, 2023.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the BSE on March 31, 2023 divided by the Diluted EPS of August 11, 2023.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 28, 103, 179 and 151, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

#### VI. Key financial and operational performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

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

#### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA (₹ Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.

KPI	Explanations
Profit After Tax (₹ Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital employed (RoCE) (%)	It is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 21, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by Kumbhat & Co., Chartered Accountants, by their certificate dated August 21, 2023.

### Key Performance Indicators of our Company

Financial Metrics	As of and for the Fiscal		
	2023	2022	2021
Revenue From operations (₹ in Lakhs)	5,847.64	3,698.30	2,826.61
Total revenue (₹ in Lakhs)	5,861.32	3,710.27	2,837.83
EBITDA (₹ in Lakhs)	296.57	128.15	84.68
EBITDA Margin (%)	5.07%	3.47%	3.00%
Profit after tax (₹ in Lakhs)	123.37	35.09	9.51
PAT Margin (%)	2.11%	0.95%	0.34%
Return on Equity (ROE) (%)	9.01%	8.21%	2.57%
Debt To Equity Ratio	2.92	1.51	1.65
Interest Coverage Ratio	2.24	1.73	1.28
Return on Capital Employed (ROCE) (%)	10.34%	22.33%	17.75%
Current Ratio	1.82	1.64	1.66
Net Capital Turnover Ratio	2.12	6.73	6.59

Notes:

- As certified by Kumbhat & Co., Chartered Accountants pursuant to their certificate dated August 21, 2023. The Audit committee in its resolution dated August 21, 2023 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Prospectus other than as disclosed in this section.
- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.

- d) *EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.*
- e) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.*
- f) *Return on equity (RoE) is equal to profit after tax for the year divided by the total equity during that period and is expressed as a percentage.*
- g) *Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).*
- h) *Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by finance cost payment.*
- i) *RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.*
- j) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
- k) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*

See “*Management Discussion and Analysis of Financial Position and Results of Operations*” on page 179 for the reconciliation and the manner of calculation of our key financial performance indicators.

## VII. Comparison of financial KPIs of our Company and our listed peer.

Metric	MONO PHARMACARE LIMITED			CHANDRA BHAGAT PHARMA LIMITED		
	As of and for the Fiscal			As of and for the Fiscal		
	2023	2022	2021	2023	2022	2021
Revenue From operations (₹ in Lakhs)	5,847.64	3,698.30	2,826.61	11,967.22	9,407.56	7,069.53
Total revenue (₹ in Lakhs)	5,861.32	3,710.27	2,837.83	11,996.53	9,569.58	7,117.11
EBITDA (₹ in Lakhs)	296.57	128.15	84.68	332.10	267.60	361.00
EBITDA Margin (%)	5.07%	3.47%	3.00%	2.78%	2.84%	5.11%
Profit after tax (₹ in Lakhs)	123.37	35.09	9.51	90.54	79.68	19.01
PAT Margin (%)	2.11%	0.95%	0.34%	0.76%	0.85%	0.27%
Return on Equity (ROE) (%)	9.01%	8.21%	2.57%	3.29%	2.99%	0.73%
Debt To Equity Ratio	2.92	1.51	1.65	0.69	0.74	0.97
Interest Coverage Ratio	2.24	1.73	1.28	1.52	0.87	0.98
Return on Capital Employed (ROCE) (%)	10.34%	22.33%	17.75%	10.7%	13.0%	11.2%
Current Ratio	1.82	1.64	1.66	2.19	1.86	2.13
Net Capital Turnover Ratio	2.12	6.73	6.59	3.75	2.88	1.90

Notes:

- a) *Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.*
- b) *Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchase of*

- Traded goods, Changes in inventories of finished goods and work-in-progress.*
- c) *Gross margin refers to gross profit as a % of total revenues earned during a financial year.*
- d) *EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.*
- e) *EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.*
- f) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.*
- g) *Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.*
- h) *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).*
- i) *Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing cash profit after tax plus interest payment by interest payment.*
- j) *RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.*
- k) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
- l) *Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).*
- m) *Return on Net Worth (RoNW) is a measure of profitability (expressed in percentage) and is defined as net profit after tax attributable to our equity shareholders divided by our Net Worth (total shareholders' equity) for the year. "Net Worth" is defined as the aggregate of share capital and other equity.*

#### **VIII. Weighted average cost of acquisition (“WACA”), floor price and cap price:**

##### **a) Primary Transactions:**

Price per share of Issuer Company based on primary / new issue of shares, excluding issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days;

<b>Date of allotment</b>	<b>No. of equity shares allotted*</b>	<b>Face value per equity share (₹)</b>	<b>Issue price per equity share (₹)*</b>	<b>Nature of allotment</b>	<b>Nature of consideration</b>	<b>Total Consideration (in ₹ Lakhs)</b>
October 16, 2022	1,05,556	10	9.47	Subscription to the Memorandum of Association (MoA)	Cash	10.00
January 27, 2023	45,53,298	10	9.47	Shares Issued against the partner's current Capital	Cash	431.37
January 30, 2023	53,64,016	10	11.37	Preferential issue (Conversion other than cash upon takeover of running business of M/s DLS Export (Proprietorship firm of Panilam Lakhatariya)	Other than Cash	609.80
March 15, 2023	23,45,695	10	10	Right Issue	Cash	234.57
<b>Weighted average cost of acquisition (WACA)</b>						<b>10.40</b>

*\*Adjusted for bonus shares allotted in the ratio of one equity shares for every eighteen equity share pursuant to Broad resolution dated February 16, 2023*

**b) Secondary Acquisition:**

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

**Weighted average cost of acquisition, Floor Price and Cap Price**

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

<b>Past Transactions</b>	<b>Weighted average cost of acquisition</b>	<b>Floor Price</b>	<b>Cap Price</b>
	<b>(₹)</b>	<b>₹ 26</b>	<b>₹ 28</b>
Weighted average cost of acquisition(WACA) of Primary issuances	10.40	2.50	2.69
<b>Weighted average cost of acquisition(WACA) of secondary transactions</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**IX. Justification for Basis of Issue Price**

Explanation for Issue Price / Cap Price being 2.69 times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company’s KPIs and financial ratios for year ended on , March 31, 2021, March 31, 2022 and March 31, 2023. Please note the following rationale in relation to the justification of the issue Price:

- We are also distributors to various pharmaceutical companies. As on February 28, 2023, we are dealing with (distributors and stockists) 168 pharmaceutical companies and also, we are connected with 3,036 Customers/vendors who are a mix of retail pharmacy stores as well as wholesalers.
- Takeover of the business of DLS Export on December 15, 2022 and Ahemdabad Medical Corporation and Supal Distributors LLP on January 10, 2023.
- The company Turnover has been ₹ 5,861.32 lakhs in the fiscal year 2023, ₹ 3,710.27 lakhs in the fiscal year 2022 and ₹ 2,837.83 lakhs in the fiscal year 2021.
- The company EBITDA has been ₹ 296.57 lakhs in the fiscal year 2023, ₹ 128.15 lakhs in the fiscal year 2022 and ₹ 84.68 lakhs in the fiscal year 2021.

**X. The Issue Price is 2.8 times of the Face Value of the Equity Shares.**

The issue Price of ₹ 28 has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management Discussion and Analysis of Financial Position and Results of Operations*” and “*Financial Information*” on pages 28, 103, 179 and 151, respectively, to have a more informed view. The trading price of the Equity Shares could declinedue to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors**  
Mono Pharmacare Limited  
1A, Krinkal Apartment Opp. Mahalaxmi Temple,  
Paldi Ahmedabad-Gujarat 380007

Dear Sir(s):

**Sub: Proposed initial public offering of equity shares of Rs. 10 each (the “Equity Shares”) of Mono Pharmacare Limited (the “Company” and such offering, the “Issue”)**

We report that the enclosed statement in **Annexure A**, states the possible tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2022 i.e. applicable for FY 2023-24 and AY 2024-25, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the Mono Pharmacare Limited of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of possible tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

Yours sincerely,

**FOR KUMBHAT & CO.**  
Chartered Accountants  
Firm Regn. No. 001609S  
Sd/-

Gaurang C. Unadkat  
Partner

Place: Mumbai  
Dated: August 21, 2023

Mem. No. 131708  
UDIN: 23131708BGWHBZ2456

## **ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MONO PHARMACARE LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

### **I Special Tax Benefits available to the Company**

#### **1. Lower corporate tax rate under Section 115BAA of the Act:**

- 1.1 As per Section 115BAA of the Act, with effect from Financial Year 2019-20 [i.e. Assessment Year (‘AY’) 2020 21], a domestic company has an option to pay income tax in respect of its total income at a concessional tax rate of 22% (plus surcharge of 10% and cess) subject to satisfaction of certain conditions.
- 1.2 In case a company opts for Section 115BAA of the Act, provisions of MAT under Section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) will not be available.
- 1.3 The option needs to be exercised on or before the due date of filing the tax return by filing Form 10-IC on income tax e-filing. Once the option has been exercised for any previous year, it cannot be subsequently withdrawn for the same or any other previous year.
- 1.4 The Company has opted for the provisions of Section 115BAA of the Act for AY 2020-21 onwards and hence, the beneficial tax rate of 22% (plus surcharge of 10% and education cess of 4%) is applicable.

#### **2. Deduction under Section 35D of the Act:**

The Company is eligible for amortization of preliminary expenses being the expenditure on public issue of shares under Section 35D(2)(c)(iv) of the Act, subject to the limit specified in Section 35D(3) of the Act.

#### **3. Deduction under Section 80M of the Act:**

As per the provisions of Section 80M of the Act, dividend received by a company from any other domestic company or specified business Trusts shall be eligible for deduction while computing its total income for the relevant year.

The amount of such deduction would be restricted to the amount of dividend distributed by the Company to its shareholders on or before one month prior to due date of filing of its tax return for the relevant year.

Since the Company has investments in India, it can avail the above-mentioned benefit under Section 80M of the Act subject to conditions specified therein.

#### **4. Deduction under Section 80JJAA of the Act, in respect of employment of new employees**

Subject to the fulfilment of prescribed conditions as provided in Section, the Company is entitled to claim deduction of an amount equal to 30% of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for

three assessment years including the assessment year relevant to the previous year in which such employment is provided under Section 80JJAA of the Act.

## **II Special Tax Benefits available to the shareholders of the Company**

### **5. Taxability of dividend income:**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. The maximum surcharge applicable to shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person would be 15% (plus applicable surcharge and education cess), irrespective of the amount of dividend.

Further, the shareholders would be entitled to take credit of the Tax Deducted at Source by the Company against the taxes payable by them on dividend income.

The resident shareholder (being domestic company) shall be eligible for deduction under Section 80M of the Act as provided in Para 3.

### **Taxability of Capital gains:**

### **6. Classification of capital gains**

6.1 Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognized stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long-Term Capital Gains.

6.2 Short Term Capital Gains means capital gains arising from the transfer of equity shares listed on a recognized stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

### **7. Computation of Capital Gain**

7.1. As per Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

- Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government depending upon the nature of capital assets; and
- Expenditure incurred wholly and exclusively in connection with the transfer of shares

### **8. Tax rates on Capital gains:**

8.1 As per Section 111A of the Act, short term capital gains arising to the resident shareholder from the sale of equity share or a unit of an equity-oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess). Other short term capital gains shall be taxable at per normal tax rates applicable.

8.2 As per Section 112A of the Act, the long-term capital gains arising from sale of listed equity share, or a unit of an equity-oriented fund or a unit of a business trust (where STT is paid) exceeding INR 1,00,000 shall be chargeable to tax at the rate of 10% (plus applicable surcharge and education cess). Further, as per Section 112 of the Act, other listed securities, units or a zero-coupon bonds shall be taxable either 20% after taking benefit of indexation or 10% without

taking benefit of indexation whichever is more beneficial to the company. Other long term capital gains shall be taxable at 20% after taking benefit of indexation benefit.

8.3 Summary of tax rate applicable to the resident shareholder on capital gains is provided below:

Nature of Capital Asset	Long term Rate*	Short term Rate*
Listed equity share, or a unit of an equity oriented fund or a unit of a business trust (STT paid)	10% in excess of INR 100,000	15%
Listed securities, units or a zero coupon bonds (STT paid or not)	20% after taking benefit of indexation; or 10% without taking benefit of indexation.	Applicable Rates
Others	20% after taking benefit of indexation;	Applicable Rates

## 9. Exemption of Capital Gain

9.1 As per Section 54EC of the Act and subject to the conditions specified therein, arising on transfer of a long-term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money.

9.2 Section 54EE of the Act exempts long-term capital gains on transfer of shares if the gains up to Rs. 50 Lakhs are invested in “long term specified assets” (i.e., units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

9.3 As per section 54F of the Act, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years subject to additional conditions provided in Section 54F of the Act. If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

## 10. Carry forward and set off of capital gain losses

As per section 74 of the Act, short-term capital losses incurred during the year are allowed to be set-off against short-term or long-term capital gains of the said year. Balance short-term capital losses, if any may be carried forward for eight years for claiming set-off against subsequent years’ short-term or long-term capital gains. Long-term capital losses incurred during the year are allowed to be set-off only against long-term capital gains. Balance loss, if any, may be carried forward for eight years for claiming set-off against subsequent year’s long-term capital gains.

### **III BENEFITS AVAILABLE TO NON-RESIDENT INDIANS/NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND VENTURE CAPITAL COMPANIES / FUNDS)**

Same as implications for resident shareholders subject to the additional points mentioned below.

#### **11. Taxability of Capital gains:**

- 11.1 As per first proviso to Section 48 of the Act, in case of a non-resident shareholder, in computing capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per Exchange Control Regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which original investment was made. Cost Indexation benefits will not be available in such a case. The capital gain / loss in such a case is computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was utilized in the purchase of shares.
- 11.2 Long-term capital gains arising from the transfer of unlisted securities shall be taxable at the rate of 10% (plus applicable surcharge and education cess) without providing indexation benefit.
- 11.3 Chapter XII-A of the Income Tax Act was inserted by Finance Act 1983 with an object to provide concessional rate of taxation to encourage them to invest their foreign exchange earnings in assets and source of Income in India. It deals with the situations where the gross total income of non-residents includes income from investment or income by way of long-term capital gain or both. The following sections are covered under this chapter:
- 11.4 Section 115D of the Act covers the situation or transaction in which this section can be invoked. It also says that no deduction in respect of any expenditure or allowance shall be allowed under any provision of this Act in computing the investment income of a non-resident Indian.
- 11.5 Section 115E of the Act is about rate of tax which is to be applied on the gross total income of a non-resident Indian when the total income includes any income from Investment or income from long term capital gain of an assets other than a specified assets; or income by way of long term capital gains, the tax payable by him shall be at the rate of 20% if the income is from Long Term Capital Assets other than a specified assets and at the rate of 10% if the income is by way of long term capital gain from specified assets (as per Section 115C of the Act, specified assets includes shares in an Indian company).
- 11.6 As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long-term capital asset being shares of the Company shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the Act then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificates in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long-term capital gains in the year in which such specified asset or savings certificates are transferred.
- 11.7 As per section 115G of the Act, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the Act, if their only source of income is income from specified investments or long-term capital gains earned on transfer of such investments or both, provided

tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.

11.8 As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the Act to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

11.9 As per section 115I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

**12. Taxability of dividend income:**

As per Section 115A of the Act, tax on dividend income earned by a non-resident or a foreign company shall be taxable at rate of 20% on gross basis.

**13. Provisions of the Act vis-à-vis provisions of the Tax Treaty**

In respect of non-residents, the tax rates and consequent taxation mentioned above shall be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

**IV BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTOR ('FII')**

As per section 2(14) of the Act, securities held by a FPI registered in accordance with the SEBI Regulations for FPIs would be in the nature of “capital asset”. Consequently, the incomes arising to a FPI from transactions in securities are treated as capital gains.

As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities would be taxable as follows:

Nature	Tax rate (%)
LTCG on sale of equity shares referred to in Section 112A (Refer Note below)	10
LTCG on sale of equity shares (other than LTCG referred above)	10
STCG on sale of equity shares referred to in Section 111A	15
STCG on sale of equity shares (other than STCG referred above)	30

As per section 196D of the Act, no deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to foreign institutional investor.

Notes:

- (i) The benefits as per the current tax law as amended by the Finance Act, 2022.
- (ii) This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India

are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

- (iii) Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR 10 crores.
- (iv) We note that if the Company opts for concessional income tax rate under section 115BAA of the Act. Accordingly, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
- (v) Health and Education Cess at the rate of 4% on the tax and surcharge is payable by all category of taxpayers.
- (vi) Business losses, arising during the year can be set off against the income under any other head of income, other than income under the head 'salaries'. Balance business loss can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of the IT Act, however, subject to section 115BAA of the Act.
- (vii) We note that the Company has opted for concessional tax rate under Section 115BAA of the Act and hence it will not be allowed to claim any of the following deductions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - Deduction under section 35CCD (Expenditure on skill development)
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
  - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
  - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above
- (viii) Further, it is also clarified in Section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT. Therefore, the MAT provisions

are not applicable.

- (ix) The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis.

## **STATEMENT OF POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS MATERIAL SUBSIDIARIES, AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy (collectively referred to as “Indirect tax”).

- I. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

### **1. Export of services under the Goods and Services Tax (‘GST’) law**

GST law inter-alia allows export of services at zero rate on fulfilment of certain conditions. Exporters can either export services without payment of IGST under Bond/ Letter of Undertaking (LUT) and claim refund of unutilized Input tax credit (‘ITC’) or export services with payment of IGST and subsequently claim refund thereof of the IGST paid as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017. The Finance Bill, 2021 however has inserted suitable provisions stating that the said benefit of exporters to pay IGST on exports and subsequently claiming refund thereof would be available only to notified persons, though the relevant notification in this regard is awaited. We understand that the Companies are following export of services without payment of GST under LUT.

### **2. Supply of services to SEZ units under the GST law**

Similarly, the GST law also considers supply to SEZ units as zero-rated supply whereby the person supplying the service has an option to supply services without payment of GST under Bond/ Letter of Undertaking and subsequently avail refund of unutilized ITC. We understand that the Companies are supplying services to SEZ units without payment of GST under LUT.

## **II. Special indirect tax benefits for shareholders of the Companies**

Shareholders of the Company are not eligible to special indirect tax benefits under the provisions of the CGST Act (read with CGST Rules, circulars, notifications), respective State GST Act, 2017 (read with respective State GST Rules, circulars, notifications), Integrated GST Act, 2017 (read with Integrated GST Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications) and Foreign Trade Policy.

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we 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.*

*Industry sources and publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Consolidated Financial Statements” and related notes beginning on page 28 and 151 of Prospectus.*

### GLOBAL OUTLOOK

Global real GDP is forecasted to grow by 2.3 percent in 2023, down from 3.3 percent in 2022. Most of the weakness will be concentrated in Europe, Latin America, and the US. Asian economies are expected to drive most of global growth in 2023, as they benefit from ongoing reopening dynamics and less intense inflationary pressures compared to other regions.

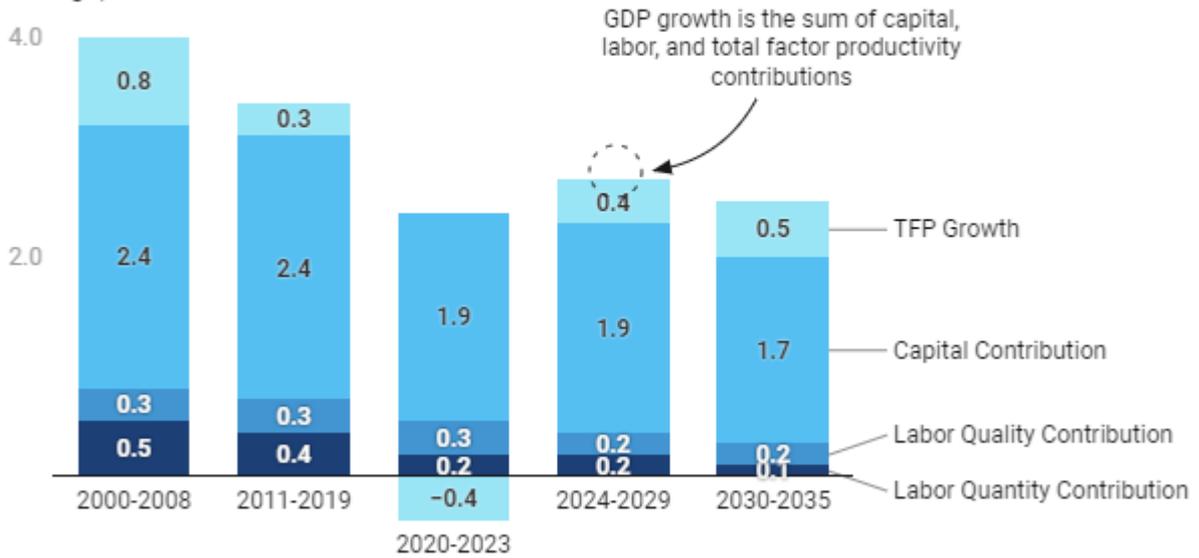
Despite rapid monetary tightening, inflation is proving persistent in many key economies, particularly on the back of strength in job markets amid severe labor shortages. Therefore, monetary policy is likely to remain restrictive throughout most of 2023. This will act as a break on economic activity and will likely lead to increases in unemployment rates in various economies, particularly in Europe and the US.

Global real GDP growth should pick up steam in 2024 to 2.5 percent and be more evenly distributed among regions. Tailwinds to growth in 2024 will largely come from fading shocks related to the pandemic, elevated inflation, and monetary policy tightening. However, growth rates in 2024 and beyond are likely to be below the pre-pandemic trend, given ongoing supply-side weakness (e.g., ageing demographics worldwide and slow productivity growth). Inflation, while lower than experienced currently, may remain relatively elevated for several reasons, including expected persistence in labor shortages.

The 10-year economic outlook signals a prolonged period of disruptions and uncertainties for businesses, but there are also opportunities. Global growth will return to its slowing trajectory once the 2022-2023 regional recessions end, with mature markets making smaller contributions to global GDP over the next decade. Nonetheless, there are still opportunities for firms to invest in both mature markets—given their wealth and need for innovation to compensate for shrinking labor forces—and emerging markets—given their need for both physical and digital infrastructure to support their sizable and young labor forces. Keys to ensuring growth over the longer term include developing new lines of business; strengthening corporate culture; embracing digital transformation and automation; recruiting for talent with new skills not currently represented in the company; and maximizing the hybrid work model where it makes sense.

## The global economic trend growth rate is weakening

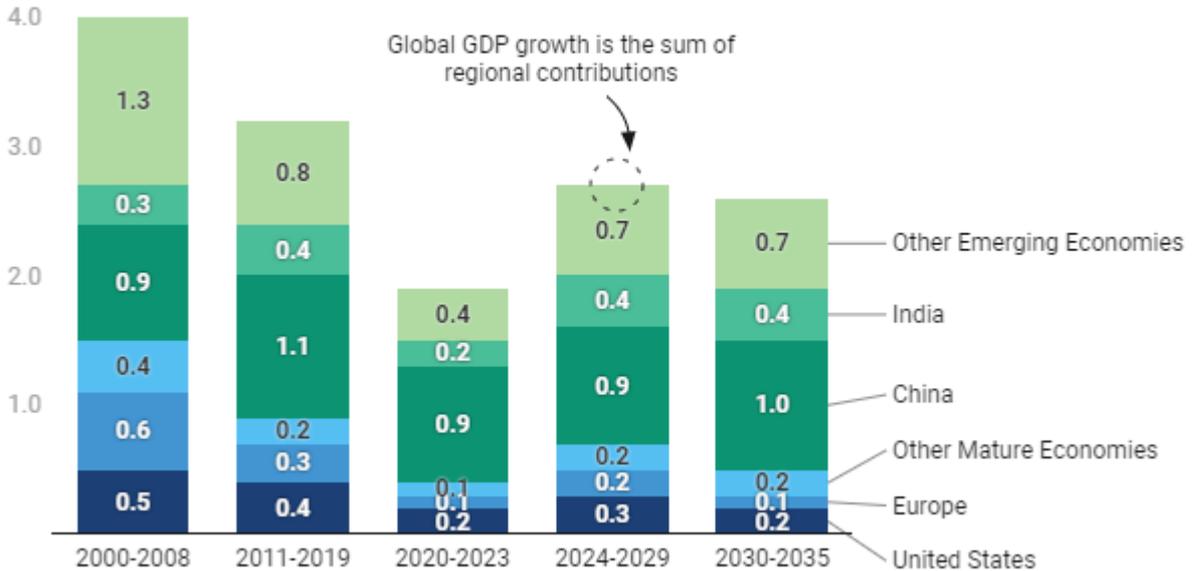
Contribution of factor inputs and efficiency changes to global GDP growth (average annual % change)



Global GDP contributions are calculated using shares in nominal PPP converted GDP.

## Emerging economies to remain key engine for global growth

Regional contributions to global GDP growth (average annual % change)



Regional GDP contributions are calculated using shares in nominal PPP converted GDP.

Source - <https://www.conference-board.org/topics/global-economic-outlook>

### Inflation Peaking amid Low Growth

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022. World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The

rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

The balance of risks to the global outlook remains tilted to the downside, with scope for lower growth and higher inflation, but adverse risks have moderated since the October 2022 World Economic Outlook. For most economies, the priority remains achieving a sustained reduction in inflation toward target levels. Raising real policy rates and keeping them above their neutral levels until underlying inflation is clearly declining would ward off risks of inflation expectations deanchoring. Clear central bank communication and appropriate reactions to shifts in the data will help keep inflation expectations anchored and lessen wage and price pressures. Central banks' balance sheets will need to be unwound carefully, amid market liquidity risks. Gradual and steady fiscal tightening would contribute to cooling demand and limit the burden on monetary policy in the fight against inflation. In countries where output remains below potential and inflation is in check, maintaining monetary and fiscal accommodation may be appropriate.

Source-<https://www.imf.org/en/Publications/WEO/Issues/2023/01/31/world-economic-outlook-update-january-2023>

## **INDIAN ECONOMY**

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

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

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

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030. According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise

exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

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

## **ADVANTAGE INDIA**

### **Cost Efficiency**

- Low cost of production and R&D boosts efficiency of Indian pharma companies, leading to competitive exports.
- Indian drug & pharmaceutical exports stood at US\$ 24.60 billion in FY22 and US\$ 24.44 billion in FY21.

### **Economic Drivers**

- High economic growth along with increasing penetration of health insurance to push expenditure on healthcare and medicine in India.

### **Increasing Investment**

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

## **Indian Pharmaceuticals Have Time and Again Proved Their Prominence, And This Time It Was Developing Covid-19 Vaccines Which Globally Saved Millions Of Lives.**

Indian pharmaceuticals have time and again proved their prominence, and this time it was developing Covid-19 vaccines which globally saved millions of lives. Domestic pharmaceutical companies which were largely recognized for their affordable manufacturing of generic medicines are now being recognized for its high-quality research and development ecosystem post Covid-19, a remarkable perception shift from being a volume manufacturer to value creator. India is ranked third worldwide for production by volume, accounting for 20% of the global volume supply.

Diagnostics has undergone structural changes post Covid-19 outbreak like increased home sample collection, focus on preventive/wellness packages etc. In addition, there is also an increased transition towards organized players given their superior quality of services, strong infrastructure and certification, and brand image.

Hospitals are expected to remain the major beneficiaries of the rising healthcare spends in the country as they account for about 75% of the healthcare spending. Growth opportunity remains robust due to under penetration combined with strong demand for quality healthcare given rising affordability and burgeoning lifestyle diseases and improving medical insurance penetration. Past few years, healthcare sector has exhibited strong growth momentum which is expected to continue as the industry undertakes aggressive capacity expansion post Covid-19, supported by sustained average revenue per bed and improving case mix. Some of the developing trends within hospital & pharmacies include Strong growth dynamics for hospitals due to severe under penetration, especially in Tier 1/ Tier 2 cities.

Medical tourism is a strong opportunity for hospitals as market expected to rise +65% CAGR during FY21-25.

Strong expansion plans across hospitals primarily into brownfield projects; bed capacities to expand by ~30-70% over next 4-5 years, with part of the new capacity likely to be commissioned from end FY24.

Occupancies have improved from ~52% during Covid period to reach about ~62% in H1FY23; it is expected to further improve to ~70%-75% over next two years and help drive profitability in the near to medium term.

India's pharmaceutical and healthcare industry has grown tremendously in the recent years, and overall outlook remains robust and positive. Better known as 'Pharmacy of the World', Covid-19 outbreak brought in a paradigm shift within the sector ensuring high collaboration between the pharmaceutical and healthcare industry with the government to work closely towards strengthening its domestic and global positioning.

Source - <https://www.livemint.com/>

## **GLOBAL PHARMACEUTICAL INDUSTRY**

The global pharmaceutical market is estimated at an astronomical USD 1 trillion. The key driving factors behind these will be research and development and innovative treatments for patients. The COVID-19 pandemic has seen several sectors change how they function and develop. Most markedly, the pharma sector has undergone a metamorphosis that has been truly remarkable. In the past few years, the pharma sector has shifted focus from volumes to providing far-reaching value to customers across geographies. The importance of research and development in combating and containing the COVID-19 pandemic has also begun to trickle down to other treatment procedures. In 2022, the same processes and approaches were being used to combat other diseases, such as anaemia and forms of cancer. With these paradigm changes in the sector, 2023 is likely to be another milestone year for the pharma industry in not only the Indian, but also the global market.

(Source: <https://health.economictimes.indiatimes.com/news/pharma/pharma-in-2023-growth-and-collaboration/98287330>)

## **INDIAN PHARMACEUTICAL INDUSTRY**

### **Introduction**

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

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

### **Market Size**

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market stood at US\$ 42 billion in 2021 and is likely to reach US\$ 65 billion by 2024 and further expand to reach US\$ 120-130 billion by 2030. India's biotechnology

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



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

### Exports

India is the 12<sup>th</sup> largest exporter of medical goods in the world. Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally.

### Investments and Recent Developments

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

- The Indian pharmaceutical industry generated a trade surplus of US\$ 15.81 billion in FY22.
- Medical Device industry is expected to reach US\$ 50 billion by 2030 growing at a CAGR of 15%.
- In November 2022, Sun Pharma and SPARC entered into a license agreement for commercialization of phenobarbital for injection in the US.
- Glenmark becomes the first pharmaceutical company to launch Indacaterol + Mometasone Fixed-Dose combination drug for Asthma in India.
- 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 National Digital Health Blueprint has the potential to generate nearly US\$ 200 billion in added economic value for India's healthcare industry over the next 10 years.

### Government Initiatives

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

As per the Union Budget 2022-23:

- Rs. 3,201 crore (US\$ 419.2 million) has been set aside for research and Rs. 83,000 crore (US\$ 10.86 billion) has been allocated for the Ministry of Health and Family Welfare.
- Rs. 37,000 crore (US\$ 4.83 billion) has been allocated to the 'National Health Mission'.
- Rs. 10,000 crore (US\$ 1.28 billion) has been allocated to Pradhan Mantri Swasthya Suraksha Yojana.
- The Ministry of AYUSH has been allocated Rs. 3,050 crore (US\$ 399.4 million), up from Rs. 2,970 crore (US\$ 389 million).
- To achieve self-reliance and minimize import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.

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

### **INDIAN PHARMACEUTICALS - A FORMULA FOR SUCCESS**

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India ranks 3rd worldwide for production by volume and 14th by value. The nation is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is the leading vaccine manufacturer globally. India also has the highest number of US-FDA compliant Pharma plants outside of USA and is home to more than 3,000 pharma companies with a strong network of over 10,500 manufacturing facilities as well as a highly skilled resource pool.

The pharmaceutical industry in India offers 60,000 generic brands across 60 therapeutic categories. Major segments include generic drugs, OTC Medicines, API/Bulk Drugs, Vaccines, Contract Research & Manufacturing, Biosimilars and Biologics.

- Incentives worth INR 21,940 Cr (\$3 Bn) are approved.
- Market size expected to reach \$65 bn by 2024, and ~\$130 Bn by 2030.
- Expected growth rate of 11-12% (2020-2030).
- Cost of manufacturing ~ 33% lower than western markets

Indian pharma companies enabled by their price competitiveness and good quality, have made global mark, with 60% of the world's vaccines and 20% of generic medicines coming from India.

100% Foreign Direct Investment (FDI) in the pharmaceutical sector is allowed under the automatic route for greenfield pharmaceuticals.

100% FDI in the pharmaceutical sector is allowed in brownfield pharmaceuticals; wherein 74% is allowed under the automatic route and thereafter through the government approval route.

### **Industry Scenario**

The pharmaceutical industry in India is expected to reach \$65 Bn by 2024 and to \$130 Bn by 2030.

The pharmaceutical industry in India is currently valued at \$50 Bn.

India is a major exporter of Pharmaceuticals, with over 200+ countries served by Indian pharma exports. India supplies over 50% of Africa's requirement for generics, ~40% of generic demand in the US and ~25% of all medicine in the UK.

India also accounts for ~60% of global vaccine demand, and is a leading supplier of DPT, BCG and Measles vaccines. 70% of WHO's vaccines (as per the essential Immunization schedule) are sourced from India.

## **Production Linked Incentive (PLI) Scheme**

The Indian pharmaceuticals market is supported by the following Production Linked Incentive Schemes to boost domestic manufacturing capacity, including high-value products across the global supply chain.

1. PLI Scheme for Key Starting Materials (KSMs)/Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) (PLI 1.0) 2. Production-Linked Incentive (PLI) Scheme for Pharmaceuticals d (PLI 2.0)

(Source:

<https://www.investindia.gov.in/sector/pharmaceuticals#:~:text=The%20pharmaceutical%20industry%20in%20In%20dia%20is%20currently%20valued%20at%20%2450,all%20medicine%20in%20the%20UK%20>)

## **INDIAN PHARMA INDUSTRY IN 2023:**

The year 2023 holds a positive outlook for India's pharmaceutical industry, with a deeper focus on quality manufacturing, affordability of drugs and adoption of innovation and technology, experts have said.

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

The sector this year was marked by a greater degree of collaboration between the government and industry, with both playing a pivotal role in helping the sector further strengthen its position in the global market. Owing to the COVID-19 pandemic, the entire landscape of the pharmaceutical industry has had a paradigm shift, with the collaboration between the government and the industry being increasingly seen in a positive light.

While leading pharmaceutical contract manufacturers in India are focusing on ensuring innovative products. To meet sustainability objectives, several manufacturers are also implementing innovative and environmental-friendly packaging.

(Source:<https://www.businessday.in/industry/pharma/story/indian-pharma-in-2023-industry-experts-give-big-thumbs-up-to-the-sector-heres-what-they-are-saying-357290-2022-12-21>)

## **Biggest Challenges Facing the Pharmaceutical Industry in 2023**

The pharmaceutical industry has a bright future in 2023, with a stronger emphasis on high-quality production, affordable medication, and the use of innovation and technology. However, some businesses (including major names) are still suffering the effects of the global pandemic as the current Covid-19 issue in China continues to make mainstream news and increasingly threatens to disrupt supply chains. While companies are looking to ensure that 2023 is a positive step forward post-pandemic, let's take a look at some of the major challenges that the Pharma industry will face in 2023:

- **Demand for a skilled workforce**

The pharmaceutical industry requires a workforce that has significant knowledge, experience, and skills. Training the workforce helps to acquire the necessary skills to ensure, enhance and improve their participation in their daily tasks. This will also help to fill in any skills gaps that may be observed in the workforce.

- **Supply chain disruption**

Supply chains have witnessed unprecedented disruption all around the world, and this represents one of the major challenges facing the pharmaceutical industry. Many pharma companies are looking to supply chain innovations and circular supply chain models to tackle these challenges and build business resilience.

- **Clinical trials playing catch up**

For pharmaceutical companies running clinical trials for anything other than COVID-19 vaccines, the pandemic caused huge interruptions. And although the primary effects of the pandemic are receding, we're still feeling the impact as we move into 2023. Companies in the pharmaceutical industry are now looking to technologies such as AI and virtual platforms to either restart or recreate trials with less face-to-face interaction. However, this new technology comes at a cost — significantly lowering or even erasing profit margins.

- **Data breaches and cybersecurity threats**

As consumer data is becoming more valuable, the number of cyberattacks is also increasing, and pharmaceutical companies are especially vulnerable to cybersecurity threats. As cyberattacks become a more serious threat to the industry, investment in cybersecurity will need to increase. Companies will also need to implement better cybersecurity policies in the office and for remote workers or run the risk of a costly data breach.

- **Pharmaceutical fraud**

Pharmaceutical fraud remains a major challenge for the industry — and it was possibly even worse during COVID-19. For manufacturers, taking steps to prevent fraud and encouraging internal discussions about potentially fraudulent behavior will help prevent issues with healthcare fraud.

**Conclusion:**

While most industries have returned to business-as-usual post-pandemic, the pharmaceutical industry will face significant risks through the end of the year. Fragile global supply chains, increased incidences of fraud, and the rising number of cyberattacks will all pose challenges for the Pharma industry going forward. The companies that address these issues proactively will be the ones to have the competitive edge going forward.

**ROAD AHEAD**

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

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

## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 21 of this Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “Risk Factors” on page 28. This section should be read in conjunction with such risk factors.*

*This section should be read in conjunction with the “Industry Overview” on page 94 of this Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ending March 31 of that year.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “Financial Information”, included in this Prospectus on page 151.*

*Unless the context otherwise requires, in this chapter, reference to “Mono”, “we”, “us”, “our”, “Company” or “Our Company” refers to Mono Pharmicare Limited.*

### **Overview**

Our company was originally formed as a partnership firm in the name and style of “M/s. Mono Chemist” through partnership deed dated May 06, 1994. Promoters of our company Panilam Lakhatriya and Supal Lakhatriya joined the partnership firm on May 10, 2018, as partners of the firm. Further, our Promoters acquired 100% ownership of the partnership firm on July 25, 2019. Further, new partners i.e. Shivlal Gandlal Lakhatriya, Shardaben Shivlal Lakhatriya, Shivam Parag Chauhan, Archit Suhasbhai Shah and Pallaviben Suhasbhai Shah were added pursuant to deed of admission dated June 18, 2022. The partnership firm was then converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmicare Limited vide Certificate of Incorporation dated October 17, 2022, was issued by the Registrar of Companies, Ahmedabad. The corporate identification number of our Company is U24304GJ2022PLC136193.

We are engaged in the business of marketing of pharmaceutical products and also, we are distributors of various pharmaceutical companies. We work with various contract manufacturers who manufacture pharmaceutical products on our behalf based on compositions given by us and subsequently we sell those products under our brand “DLS Export”. We are also distributors to various pharmaceutical companies. As on February 28, 2023, we are dealing with (distributors and stockists) 168 pharmaceutical companies and also, we are connected with 3,036 Customers/vendors who are a mix of retail pharmacy stores as well as wholesalers. Our promoters have a combined experience of more than a decade in the pharmaceutical industry. Our Promoters have been the pillars of our Company’s growth since beginning and with their enriching experience and progressive thinking, we aim to continue to grow in the pharmaceutical industry.

Currently, we are doing business in both our business segments only in the western region of Gujarat, particularly in Ahmedabad city. Hence, states in which the Company market/distribute its products, concentration in majority of states, revenue generated from each state etc is not applicable.

### **Our recent acquisitions**

Acquisition of DLS Export by way of a deed of business transfer agreement dated December 15, 2022. DLS Export, a proprietorship firm, was established by our promoter Panilam Lakhatriya on March 02, 2020. The acquisition was for an aggregate consideration of ₹ 609 lakhs, in order to grow our product

portfolio in selected therapeutic areas. DLS Export's revenues were ₹ 2,407 lakhs, ₹ 3,181 lakhs, and ₹ 2,122 lakhs for the financial year 2021, 2022, and for the period ended December 15, 2022.

On May 31, 1994, Ahmedabad Medical Corporation (AMC) was formed as a partnership firm. On October 23, 2020, the Promoters of our company acquired 100% ownership of AMC. Furthermore, Supal Distributors LLP, a partnership firm, was incorporated on November 24, 2016, with the Promoters of our company, Panilam Lakhatariya and Supal Lakhatariya, being the original partners.

In view of the similar kind of business activities undertaken in each of the entities and also separate banking limits taken in each of the entities and separate resources being deployed for the similar activities, we envisaged the need to integrate all such business activities into a one single entity and accordingly our company acquired proprietorship firm of our promoter Panilam Lakhatariya M/s DLS Export pursuant to business transfer agreement dated December 15, 2022 and acquired 99% ownership of partnership firms M/s Ahmedabad Medical Corporation and M/s Supal Distributors LLP from the promoters of our company Panilam Lakhatariya and Supal Lakhatariya on January 10, 2023.

**Table set forth below are certain key operational and financial metrics for the periods indicated:**

*(₹ in lakhs, unless stated in %)*

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Revenue from operations (₹ in lakhs)	5,847.64	3,698.30	2,826.61
Revenue from operations growth (%)	-	58.12%	30.84%
Earnings before interest, depreciation, tax & amortization (EBIDTA) (₹ in lakhs)	296.57	128.15	84.68
EBIDTA growth (%)	-	131.42%	51.33%
EBIDTA margin (%)	5.07%	3.47%	3.00%
Profit before tax (PBT) (₹ in lakhs)	167.63	55.09	16.91
PBT growth (%)	-	204.29%	225.79%
PBT margin (%)	2.87%	1.49%	0.60%
Profit after tax (PAT) (₹ in lakhs)	123.37	35.09	9.51
PAT growth (%)	-	251.60%	268.99%
PAT margin (%)	2.11%	0.95%	0.34%
Return on Capital Employed (RoCE)	10.3%	22.3%	17.7%

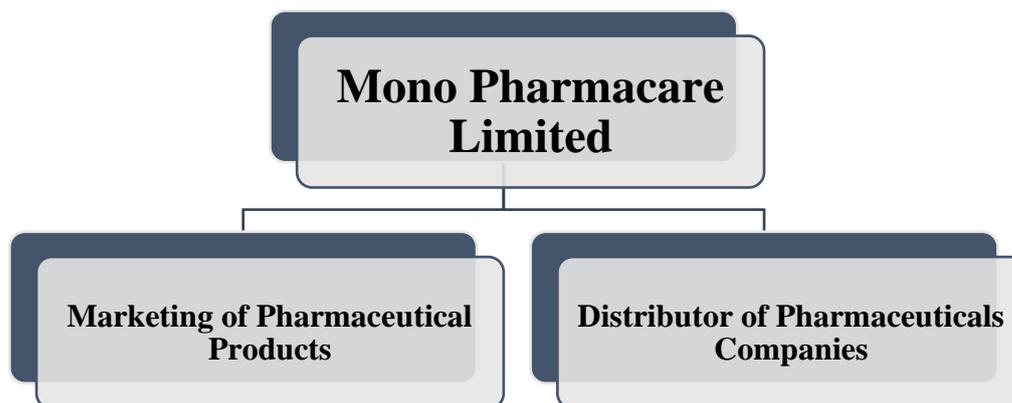
*\* all figures are as per restated financial statements*

**The table set forth below are contribution of our top 10 customers towards our revenue from operations:**

*(₹ in lakhs, unless stated in %)*

Particulars	Revenue from operations	Revenue contribution of our top 10 customers	% Revenue contribution of our top 10 customers
As at March 31, 2023	4,585.83	3,304.88	72.07%
As at March 31, 2022	3,698.30	2,853.59	77.16%
As at March 31, 2021	2,826.61	2,422.87	85.72%
As at March 31, 2020	1,168.74	861.75	73.73%

## Brief details of our business segments



- **Marketing of Pharmaceutical Products**

We outsource the manufacturing of certain of our products, and currently use approximately 19 third party manufacturers. We provide compositions to manufacture each pharmaceutical product according to our specifications. Once the raw materials are sourced, our contract manufacturers begin the manufacturing according to the requirements and order given to them by us. They manufacture products in batches within the given time frame. After the order is completed, the manufacturers provide the finished product with a quality certificate that the products are in compliance with quality standards as required by the regulatory authorities. The manufacturers hold the necessary quality certifications required to manufacture pharmaceutical products, ensuring that our products are always of the required quality standards. We follow standard marketing practices and distribute our products in the domestic market through our own distribution network. All of these products are sold under our brand, “DLS Export”.

We have developed capabilities in the commercialization of pharmaceutical products including sales, marketing, quality assurance, distribution, compliance and regulatory aspects. We have sales, marketing and distribution capabilities in India with a sales division focused on developing and growing our engagement with specialists and super specialists. Our sales divisions are also responsible for our commercialization and marketing strategy. Our sales team comprised 36 marketing representatives, as of July 31, 2023.

Our commercialization and marketing strategy involves an active engagement with Key Opinion Leader (KOL) and doctors which includes round table discussions and seminars on existing treatment gaps, alternative mechanisms of action and change in treatment paradigm. Our marketing team comprises of professionals who have developed a variety of marketing techniques and programs to promote our products, including promotional materials, speaker programs and industry publications, advertising and other media. Our sales force and marketing team is supported by our distribution network across western region of India.

Our product portfolio comprises of a wide range of drugs like Antibiotics, Antifungal, Anti Cough-Cold & Anti-allergic, Antacid and Antiemetics, Analgesics and Antipyretics, Nutraceuticals, Skincare, Antiseptic, Cardiac and Diabetic & Cosmetics etc.

### **Products marketed**

# ANTIBIOTICS



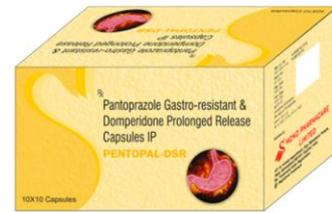
# ANTI-FUNGAL



# ANTI-COUGH & COLD, ANTI ALLERGIC



# Antacid & Antiemetics



# ANALGESIC & ANTIPIRETTIC



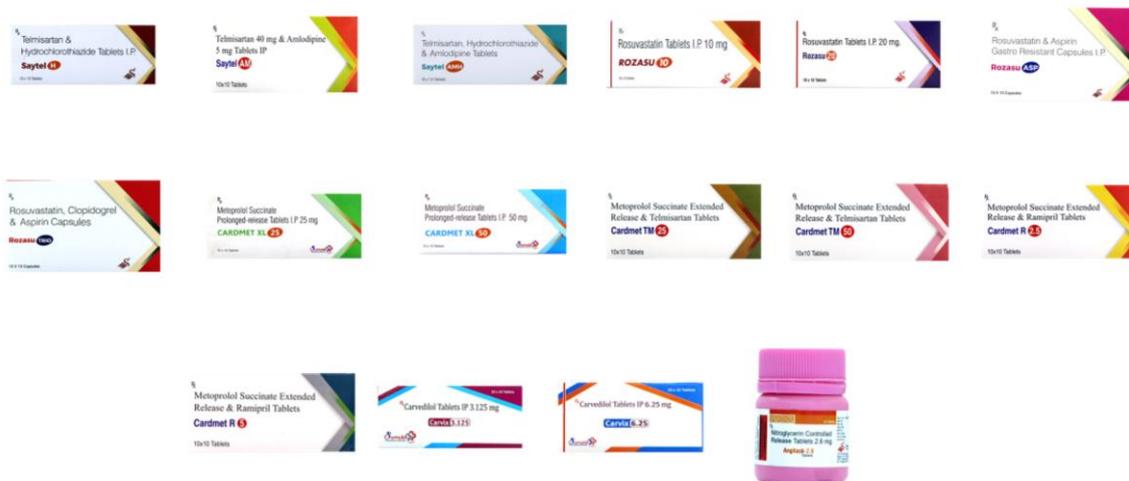
# NUTRACEUTICALS



# SKINCARE



# CARDIAC & DIABETIC



# ANTISEPTIC

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# COSMETICS

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# BRONCHODILATORS

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# PRO-BIOTICS

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# ANTI-HISTAMINES

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- **Distributor of Pharmaceutical Products**

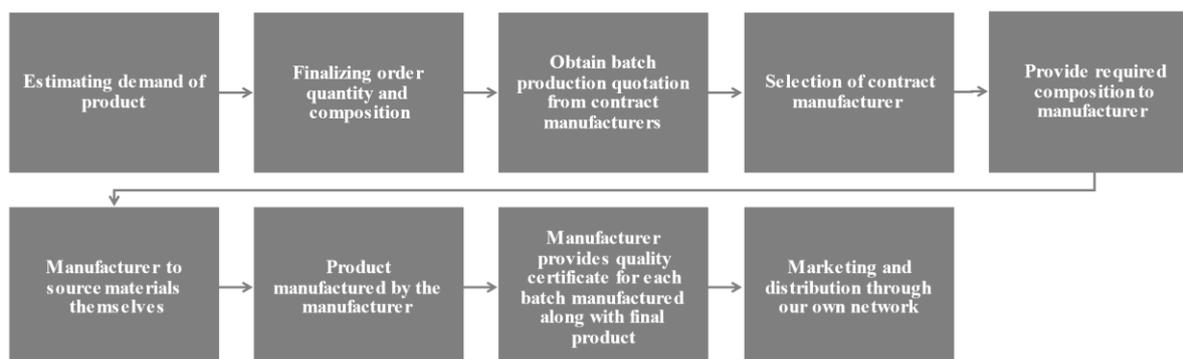
The pharmaceutical industry requires a complex and efficient distribution model to ensure that patients have access to the medications they need. Pharmaceutical distribution is the process of delivering medications from the manufacturer to the healthcare provider or patient. The pharma distribution model involves several key players, including manufacturers, wholesalers, distributors, pharmacies, hospitals, and other healthcare providers. Each player in the distribution chain has a specific role to play in ensuring that medications are delivered safely and efficiently. Distributors are responsible for supplying the medications from the wholesalers to the pharmacy or healthcare provider. They also handle the storage and handling of the medications to ensure that they remain safe and effective.

We primarily cater to the western region of India, particularly in the cities of Gujarat. We operate under the direct sales channel for pharma manufacturers and act as a supply chain consolidator between pharmaceutical manufacturers and the retail pharmacy stores, medical practitioners, and other healthcare facilities. Our key deliverables include logistics, inventory management, credit and delivery at cost-effective prices to the customers. These are critical services that help pharmaceutical

manufacturers to efficiently reach their target customers and improve their sales. As a stockist, our company maintains a certain level of inventory of various pharmaceutical companies in our warehouses. This enables our company to respond quickly to the customer demand. Our company caters to B2B. In the B2B segment, our customers are the retail pharmacy stores, wholesalers and medical practitioners who purchase pharmaceutical products from us in bulk quantities for their own use or for resale.

## Key business process

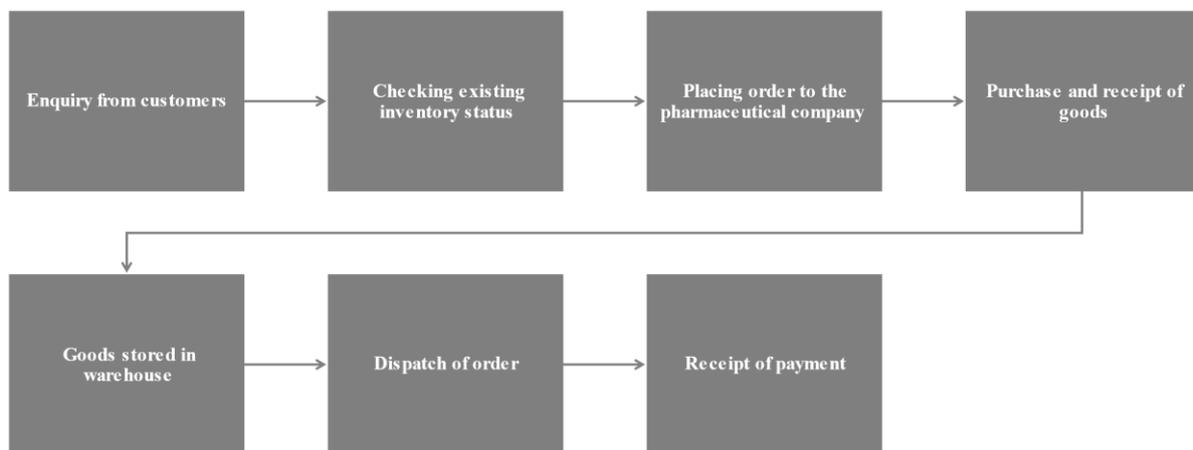
### Marketing of Pharmaceutical Products



- ***Estimating demand of product*** - We forecast our demand estimation by analysing our historical data including inventory along with predicting future demand of a particular product as per Intercontinental Medical Statistics (IMS) Data and market survey.
- ***Finalizing order quantity and composition*** - Before starting the process of manufacturing, we finalize order quantity and composition of a particular product. While finalizing the order quantity, we have to keep in mind minimum order quantities (MOQ) for the composition. For tablets and capsules, MOQ is usually between 500 – 1000 Boxes, i.e., 50,000 – 100,000 tablets. While finalizing we also have to check if the manufacturer has required approvals for that composition
- ***Obtain batch production quotation from contract manufacturers*** - It is an essential step in ensuring that our products can be manufactured at a reasonable cost while meeting our quality standards. A batch production quotation is a document that outlines the cost of producing a specified quantity of our product along with other information such as product dimensions, materials, packaging, and any specific quality standards that must be met.
- ***Selection of contract manufacturer*** - Upon receiving batch production quotations from multiple contract manufacturers, we take into account various factors to choose the most suitable one, including the competitiveness of their quotation, our previous working relationship with them, their ability to meet our required delivery timeline, and confirmation that they possess the necessary approvals to manufacture our product.
- ***Provide required composition to manufacturer*** - After the selection of the manufacturer, we release purchase order for the product's manufacturing, which highlights the ingredients and processes involved. Ensuring the maintenance of quality is vital to the success of the production process.
- ***Manufacturer to source materials themselves*** - When it comes to manufacturing of the products, the responsibility of sourcing raw materials often lies with the manufacturer. As a quality assurance measure for the end product, we rely on the manufacturer to provide a quality certificate, which is only possible if they have sourced the necessary raw materials themselves.

- **Product manufactured by the manufacturer** - After the contract manufacturer has sourced the required materials and received the necessary specifications from us for manufacturing the product, they begin the manufacturing process based on the schedule and timeline provided by us. As the production unit of these contract manufacturers holds a Good Manufacturing Practices (GMP) certification, they adhere to specific guidelines set by WHO, GMP & ISO during the manufacturing process to ensure that the final product is manufactured to meet high-quality standards.
- **Manufacturer provides quality certificate for each batch manufactured along with the final product** - The contract manufacturer is responsible for the entire production process, including raw material sourcing, manufacturing, and packaging, for products manufactured. After the completion of each batch, the contract manufacturer provides a quality certificate as an assurance of the quality of the product.
- **Marketing & distribution through our own network** - once the contract manufacturing is done, we market & distribute the products through our established distribution network in accordance with the demand and orders in hand.

### Distributor of Pharmaceutical Companies



- **Enquiry from customers** – We receive various enquiries from our customers i.e., retail pharmacy stores, medical practitioners, and other healthcare facilities in various forms such as emails, phone calls, in person visits, through our distribution team, etc.
- **Checking existing inventory status** - Upon receiving an enquiry, we check our existing inventory status. This involves verifying whether the requested product is currently in stock in our warehouse or not. If the product is available in our inventory, we can proceed with the order processing and delivery. However, if the requested product is not available in our inventory, then we have to order from the pharmaceutical company.
- **Placing order to the pharmaceutical company** - Based on the inventory status and existing and future demand of the product, we place the order with the pharmaceutical companies.
- **Purchase and receipt of goods** - Based on the order placed with the pharmaceutical company, purchase order is given, and products are received.
- **Goods stored in warehouse** – Products received from the pharmaceutical company by us are then stored in our warehouse. We follow strict guidelines for storage and handling. This

involves maintaining proper temperature, humidity, and light conditions, as well as ensuring adequate ventilation and protection from pests and contaminants.

- ***Dispatch of order*** - Products are then dispatched from our warehouse to the customers i.e., retail pharmacy stores, medical practitioners, and other healthcare facilities, etc. according to the order received.
- ***Receipt of payment*** - Upon receipt of the products / confirmation of the dispatch, the customer issues the final payment over a pre-decided period of time depending on the credit period extended to such customer.

### **Competitive Strengths**

- ***Experienced promoters and management team with industry knowledge and an established track record***

Promoters of our Company have significant industry experience and have been instrumental in the overall growth of our Company. Our promoters have combined industry experience of around a decade and possess business intellect in the marketing and distribution circles of the pharma industry as they are in this business since many years. 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 understanding of the pharmaceutical business will enable us to continue to take advantage of both current and future market opportunities. For further details regarding our management team's experience and qualifications, please see "*Our Management*" on page 132 of this Prospectus. We believe that the knowledge and experience of our promoters 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 of the business.

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

Our business model relies on our ability to seek products that are of good quality, and effective through a suitable manufacturer based on our relationship with our manufacturing partner. This allows us to scale our operations quickly and the products are manufactured as per our specifications at a predetermined 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 in physical assets such as plants and machinery, etc. 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.

- ***Scalable Business Model***

Our business model is customer centric and order driven, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is due to our established relationships with various pharma manufacturers, some of whom are among India's leading pharma manufacturers and also due to development of new markets and products by exploring customer needs and expanding distribution network. We believe that our business model is scalable.

- ***Wide and diverse range of product offerings***

Our company has wide range of product portfolio comprising of categories such as Antibiotics, Antifungal, Anti Cough- Cold & Anti-allergic, Antacid and Antiemetics, Analgesics and Antipyretics, Nutraceuticals, Skincare, Antiseptic, Cardiac and Diabetic & Cosmetics etc. We get products

manufactured through contract manufacturing on the basis of our demand estimation and needs and requirements of the clients. We believe that we have necessary resources, experience and network to launch additional products in future.

## **Business Strategies**

- ***Increasing operational efficiency***

We will continue to invest in increasing our operational efficiency throughout our organization. Higher operational effectiveness results in greater sales volumes and consequently higher sales, and therefore allows us to spread fixed costs over a higher number of units sold, thereby increasing profit margins. We further intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control over our critical resources for optimal utilization.

- ***Broaden and deepen presence in existing product portfolio.***

We intend to continue to consolidate our position in our key categories such as antibiotic, anti-cough cold and anti-allergic, antifungal, nutraceutical, analgesic and antipyretic, antacid and antiemetic, cardiac, diabetic, etc.

Our overall market share will be increased through the following initiatives:

- Enhancing the productivity and efficiency of our sales and marketing personnel through training & development; and
- Launching new innovation driven products adding value to our product/sales mix.
- ***Enhance customer base by entering new geographies.***

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products. Enhancing our presence in additional regions will enable us to reach out to a larger market. Further, our company believes in maintaining long-term relationships with our customers. We aim to achieve this by maintaining the high quality, timely delivery, competitive pricing, and reliability of our products.

- ***To increase brand visibility***

The market for our products is highly competitive in nature. Our market goodwill is significantly dependent on brand recall and our ability to compete effectively would significantly depend on our ability to promote and develop our brand. We would continue to associate ourselves with quality customers. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

- ***Customer satisfaction***

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

## **Inventory management, warehousing, and logistics**

We regard efficient inventory management as key to the part 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 systems, in order to manage an appropriate level of inventory for each of our products, to ensure sufficient supply. We plan our inventory procurement by forecasting demand for next quarter based on our targeted sales and inventory turnover and also based on our last quarter's demand analysis. We generally endeavour to maintain inventory levels in line with customer demand. 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 in-house logistics vehicles to transport the products.

### **Approach to marketing**

We have devised a marketing strategy which allows more OTC products and creates a brand value of our compositions in the long run. We have a dedicated marketing team headed by our management looking after our business operations. The efficiency of the marketing and sales network is a critical point for the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. Our Company also endeavours to provide branded pharmaceutical products to our customers on a timely basis by obtaining distributorship from major pharmaceutical manufacturing companies. Being an authorized distributor also boosts our ability to attract new customers, as the manufacturing companies do not ideally deal with retail buyers directly. Our marketing team ensures that new customers are serviced in an efficient and timely manner. Our team through their experience and good rapport with customers, owing to timely and quality delivery of service, plays an instrumental role in creating and expanding a work platform for our Company. We believe our relationship with our customers is established as we receive repeat order flows from them. To retain our customers, our team regularly interacts with them and focuses on gaining insight into the additional needs of customers.

### **Plant & machinery**

Our company is engaged in the business of marketing, distribution of pharmaceutical products and distribution of pharmaceutical products. We work with a network of contract manufacturers who manufacture products on our behalf and hence we do not require any plant and machinery. However, for storage and handling in our warehouses and maintaining proper temperature, humidity, and light conditions, as well as adequate ventilation and protection from pests and contaminants we have various storage equipments.

### **Human resources**

The following table sets forth a breakdown of our employees by department as on July 31, 2023:

<b>Sr No</b>	<b>Department</b>	<b>No. of employees</b>
1	Sales & Marketing	36
2	Distribution	23
3	Management & KMP	8
4	Administration	7
5	Finance & Accounts	4
6	Purchase & Procurement	2
7	Human Resource	1
8	Legal & Compliance	1
	<b>Total</b>	<b>82</b>

### **Capacity and capacity utilization**

Capacity and capacity utilization are not applicable to our company since our business is not in the nature of a manufacturing concern with specified installed capacity.

### **Collaborations / performance guarantee**

As on the date of filing of this Prospectus, our company has not entered into any collaborations or any performance guarantee.

### **Intellectual property**

For details related to intellectual property, please refer section titled “*Government and other key approvals*” on page 194 of this Prospectus

### **Insurance**

We maintain insurance coverage under various insurance policies for, among other things, fire, stock insurance etc, as may be required. We believe that we maintain all material insurance policies that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. For further details, please refer to “*Risk factors*” on page 28 of this Prospectus.

### **Competition**

The pharmaceutical marketing & distribution industry in India is highly fragmented and competitive. Competition is faced by our business from other existing and new distributors and manufacturers of pharmaceutical products. We engage with our competitors on a regional or product line basis. Many of our competitors may have substantially large capital bases and resources than we do and may offer a broader range of products. We believe that the principal factors affecting competition in our business include client relationships, reputation, market focus, and the relative quality, and price of the products and any ancillary service provided. We believe that we are able to distinguish ourselves from our competitors on the basis of our experienced management, our marketing strength, our relationship with various pharmaceutical manufacturers, our customer network and reputation, and the availability & timeliness of specific product deliveries. We compete against our competitors by establishing ourselves as a knowledge-based company with cordial relations with various suppliers, which enables us to provide our customers with the specified quantities at competitive rates to meet their requirements.

### **Utilities and infrastructure facilities**

- ***Registered office***

Our registered office is situated at 1A, Krinkal Apartment, Opposite Mahalaxmi Temple, Paldi, Ahmedabad- 380007, Gujarat, India.

Our office is equipped with computer systems, servers, relevant softwares and other communication equipments, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

- ***Power and electricity***

Our Company meets its power requirements at our registered office from Torrent Power and the same is sufficient for our day-to-day functioning.

- ***Water***

Our registered office has adequate water supply arrangements for human consumption purposes. The requirements are fully met at our existing premises.

### **Property**

We operate out of following properties as on the date of this Prospectus:

Sr No	Location	Purpose of use	Description
1.	1A, Krinkal Apartment, Opposite Mahalaxmi Temple, Paldi, Ahmedabad Gujarat 380007 India	Registered office & Warehouse	Leave and license agreement dated November 7, 2020, between Rushil Décor Limited (Licensor, Owner) & Mono Chemist (Licensee) for a term of five years commencing from December 1, 2020, at ₹ 27,500 per month with security deposit paid of ₹ 55,000
2.	33, Nutan Society, Behind Suvridha Shopping Center, Near Parimal Under-Bridge, Paldi, Ahmedabad – 380007 Gujarat India	Warehouse	Leave and license agreement dated December 22, 2020, between Madhuben Sailesh Shah (Licensor, Owner) & Panilam Lakhatariya (Licensee) for a term commencing from December 1, 2020 to November 30, 2025, at ₹ 35,000 per month
3.	1B, Krinkal Apartment Opposite Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India.	Ahmedabad Medical Corporation Office & Warehouse	Leave and license agreement dated November 7, 2020, between Rushil Décor Limited (Licensor, Owner) & Ahmedabad Medical Corporation (Licensee) for a term of five years commencing from December 1, 2020, at ₹ 27,500 per month with security deposit paid of ₹ 55,000
4.	A-204, 2 <sup>nd</sup> Floor, Tulip Corps, Above Pakwan Dining Hall, Opp. V.S. Hospital, Ellisbridge, Ahmedabad, Gujarat, India 380006	Supal Distributors LLP Registered Office and Warehouse	Owned property in the name of Supal Distributors LLP purchased from Rashmikant Bhaichand Shah and Lokesh Rashmikant Shah on May 21, 2018 for a total consideration of ₹ 47 lakhs
5.	3, 1 <sup>st</sup> Floor, Krinkal Apartment, Opp. Mahalaxmi Temple, Paldi, Ahmedabad - 380007, Gujarat, India	Warehouse of Supal Distributors LLP	Leave and license agreement dated October 7, 2021, between Surti Deepakbhai Shivilalbai (Licensor, Owner) & Supal Distributors LLP (Licensee) for a term of five years commencing from October 7, 2021, at ₹ 25,000 (rent as well as maintenance) per month with security deposit paid of ₹ 50,000

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see “Government and Other Key Approvals” on page 194. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **INDUSTRY-SPECIFIC LAWS**

#### **The Shops and Establishment legislations.**

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All establishments must be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations, as well as the procedures for appeal in relation to such contravention of the provisions.

#### **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 Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration 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 purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

#### **The Indian Stamp Act, 1899 (“Stamp Act”)**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is

payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

### **The Information Technology Act, 2000 (“IT Act”)**

The Information Technology Act, 2000 regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)**

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 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

### **The Food Safety and Standards Act, 2006 (“FSSA”) and the regulations framed thereunder**

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. In exercise of powers under the FSSA, the FSSAI has also framed the Food Safety and Standards Rules, 2011 (“FSSR”). The FSSR sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA also lays down penalties for various offences, including recall procedures. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provides for the conditions and procedures for registration and licensing process for food business and lays down general requirements to be fulfilled by various food business operators (“FBOs”), including petty FBOs as well as specific requirements to be fulfilled by businesses dealing with certain food products. In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacture, importation or wholesale supply of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of pre-packaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020. According to the Food Safety and Standards (Licensing and Registration of

Food Business) Amendment Regulations, 2018, an e-commerce FBO (which includes sellers and brand owner who display or offer their food products, through e-commerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

### **Drugs and Cosmetics Act, 1940 (the “Drugs Act”)**

The Drugs Act regulates the import, manufacture, distribution, and sale of drugs and prohibits the import, manufacture and sale of certain drugs and cosmetics which are, inter alia, misbranded, adulterated or spurious. The Drugs Act specify the conditions for grant of a license for the manufacture, sale, import or distribution of any drug or cosmetic. It further mandates that every person holding a license to maintain such records that may be open to inspection by relevant authorities. Any violations of the provisions of the Drugs Act, including those pertaining to the manufacturing and import of spurious drugs, non-disclosure of specified information and a failure to keep the required documents are punishable with a fine, or imprisonment or both.

### **Drugs (Prices Control) Order, 2013 (the “DPCO”)**

The DPCO has been notified under the ECA. The first schedule to the DPCO consists of a list of essential medicines or formulations. In relation to these scheduled formulations, the DPCO inter alia prescribes the method for calculating the ceiling price and provides that the Government shall fix and notify the ceiling prices. The DPCO also prescribes the method for calculating the retail price of a new drug in the domestic market for existing manufacturers of scheduled formulations. Further, under the DPCO, the Government has been assigned the task to monitor the production and availability of scheduled formulations and the active pharmaceutical ingredients contained in the scheduled formulation.

### **National Pharmaceuticals Pricing Policy, 2012 (the “2012 Policy”)**

The 2012 Policy intends to provide the principles for pricing of essential drugs specified in the National List of Essential Medicines – 2011 (“NLEM”) declared by the Ministry of Health and Family Welfare, Government of India and modified from time to time, in order to ensure the availability of such medicines at reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices are regulated based on the essential nature of the drugs. Further, the 2012 Policy regulates the price of formulations only, through market-based pricing which is different from the earlier principle of cost based pricing. Accordingly, the formulations will be priced by fixing a ceiling price and the manufacturers of such drugs will be free to fix any price equal to or below the ceiling price.

### **The Essential Commodities Act, 1955 (the “ECA”)**

The ECA empowers the Central Government, to control the production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Under the ECA, an essential commodity means a commodity specified in the Schedule to the ECA, which is updated and notified from time to time. Using the powers under it, the Central Government has issued control orders for inter alia controlling the price of, regulating by licenses, permits or otherwise the production or manufacture of any essential commodity. Violations under the ECA are punishable by either imprisonment or monetary fines or both.

### **Local Municipal Laws**

Our Company is subject to various laws framed by the municipal corporations of the states in which our stores and distribution and packing centres are located, which regulate and require us to obtain licenses for, among others, selling certain kinds of food products, quantity of products which can be stocked, sold and packed and usage of hoardings.

## **TAX RELATED LAWS**

### **Income Tax**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

### **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 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 enrolment from the assessing authority.

## **LABOUR LAWS**

### **Payment of Wages Act, 1936 (“POW Act”)**

The POW Act was enacted with a view to ensuring that wages payable to employed persons covered by the Act were disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law were made by them. It applies to the persons employed in a factory, industrial or other establishment, where the monthly wages payable are less than Rs.21,000/- whether directly or indirectly, through a sub-contractor and provides for the imposition of fines on persons responsible for payment of wages and deductions and lays down wage periods. Employers have to compulsorily maintain register of wages, register of fines, register of deduction for damages or loss, and register of advances in the prescribed forms.

### **Employees’ Compensation Act, 1923**

The EC Act was enacted to provide for the payment by certain classes of employers to their employees of compensation for injury by accident. The term "employer" under the EC Act includes any body of persons whether incorporated or not and any managing agent of an employer and the legal representative of a deceased employer, and, when the services of an employee are temporarily lent or let on hire to another person by the person with whom the employee has entered into a contract of service or apprenticeship, means such other person while the employee is working for him. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury.

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

The POSH Act was enacted to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. The POSH Act mandates every employer to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace. The POSH Act provides that employers must formulate a policy against sexual harassment at workplace and that policy needs to be disseminated. The POSH Act defines sexual harassment to include any unwelcome acts or a sexually determined behaviour (whether directly or by implication). Workplace under the POSH Act has been defined very broadly to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and any place visited by the employee arising out of or during the course of employment.

## **Industrial Disputes Act, 1947 (“ID Act”)**

The ID Act was enacted to make provisions for, inter alia, the investigation and settlement of industrial disputes. Industrial dispute under the ID Act means any dispute or difference between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment or the terms of employment or with the conditions of labour, of any person. The ID Act enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and other matters related to industrial employees and employers.

## **The Code on Social Security, 2020 (“Social Security Code”)**

The Government of India enacted The Code on Social Security, 2020 which received the assent of the President of India. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. The code proposes to subsume, inter alia, the Employees Compensation Act, 1923, the Employees, State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. The Ministry of Labour and Employment, Government of India has notified the draft rules relating to Employees Compensation under the Code on Social Security, 2020 on June 3, 2021, inviting objections and suggestions, if any, from the stakeholders. Further, draft rules under the Code on Social Security, 2020 were notified on November 13, 2020. The draft rules propose to subsume, inter alia, the Employees State Insurance (Central) Rules, 1950 and the Payment of Gratuity (Central) Rules, 1972.

## **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

## **The Code on Wages, 2019 (the “Wage Code”)**

The Government of India enacted The Code on Wages, 2019 which received the assent of the President of India. The code proposes to subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936. The provisions of this code will be brought into force on a date to be notified by the Central Government, with certain of the provisions thereunder notified already. In pursuance of the code, the Code on Wages (Central Advisory Board) Rules, 2021 have been notified, which prescribe, inter alia, the constitution and functions of the Central Advisory Board set up under the Code on Wages, 2019.

**Certain other Labour laws and regulations that may be applicable to our Company include the following:**

- Child Labour (Prohibition and Regulation) Act, 1986;
- Equal Remuneration Act, 1976;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act 1948;
- Payment of Bonus Act, 1965;
- The Maternity Benefit Act, 1961;
- Trade Union Act, 1926;
- Public Liability Insurance Act, 1991

## **INTELLECTUAL PROPERTY LAWS**

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

## **GENERAL LAWS**

### **Indian Contract Act**

The Indian 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 breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

### **Sale of Goods Act, 1930 (the “Sale of Goods Act”)**

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

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

The 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 Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

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

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property 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 Information Technology Act, 2000 (the "IT Act") and the rules made thereunder**

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and damaging computer systems, and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto, among others.

### **OTHER LAWS:**

In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our company was originally formed as a partnership firm in the name and style of “M/s. Mono Chemist” through partnership deed dated May 06, 1994. Promoters of our company Panilam Lakhatariya and Supal Lakhatariya joined the partnership firm on May 10, 2018, as partners of the firm. Further, our Promoters acquired 100% ownership of the partnership firm on July 25, 2019. Further, new partners i.e. Shivilal Gandadal Lakhatariya, Shardaben Shivilal Lakhatariya, Shivam Parag Chauhan, Archit Suhasbhai Shah and Pallaviben Suhasbhai Shah were added pursuant to deed of admission dated June 18, 2022. The partnership firm was then converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited vide Certificate of Incorporation dated October 17, 2022, was issued by the Registrar of Companies, Ahmedabad. The corporate identification number of our Company is U24304GJ2022PLC136193.

### Corporate profile of our Company

For information on our Company’s business profile, activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, major clients, please refer to the chapters titled “Our Business”, “Industry Overview”, “Our Management”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 103, 94, 132, 151 and 179, respectively of this Prospectus

### Changes in the Registered Office of the Company since incorporation

Currently, the Registered Office of our company is situated at 1A, Krinkal Apartment, Opp. Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India. We set out below the changes in registered office of our Company since inception till filing of this Prospectus.

Date of Board resolution	From	To	Purpose
October 17, 2022	33, Nutan Co. Op. HSC, B/H Suvidha Shopping Centre, Paldi, Ahmedabad-380007, Gujarat, India.	1A, Krinkal Apartment, Opp. Mahalaxmi Temple, Paldi, Ahmedabad-380007, Gujarat, India	Administrative convenience.

### Key Events and Milestones:

Year	Key Events / Milestone / Achievements
1994	Incorporated Partnership firm in style of ‘M/s Mono Chemist’
2018	Panilam and Supal Lakhatariya are introduced as Incoming partners of Partnership firm.
2019	Revenue experienced a growth of more than 2x times after the introduction of our promoters.
2022	Conversion of our company from Partnership Firm to Public Limited Company. Takeover of the business of DLS Export (Proprietorship firm of Panilam Lakhatariya)
2023	Takeover of the business of Ahmedabad Medical Corporation and Supal Distributors LLP.

### Certifications & Recognitions:

We have received the following certifications & Awards:

Year	Certification/Awards
2020	Received “Certificate of appreciation” by Gaurav Panel to M/s Mono Chemist and Ahmedabad Medical Corporation
2021	Received “Certificate of appreciation” by Abbott Consumer Health to our Subsidiary entity Supal Distributors LLP
	Certificate for partnering with Abbott on ChannELEVATION initiative
	Received “Certificate of appreciation” by Cipla to our subsidiary firm Ahmedabad Medical Corporation
	Received “Certificate of Recognition” by Troikaa to our subsidiary firm Ahmedabad Medical Corporation

### **Main Objects as set out in the Memorandum of Association of the Company:**

The Main object clause of the Company as per Memorandum of Association is as under:

To carry on the business of manufactures, producers, processors, makers, converters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockiest, agents, sub-agents, merchants, distributors, consignors, consultants, liaisoner, jobbers, brokers, concessionaires or otherwise deal in all kinds, specification, strengths of pharmaceuticals in all its branches, tonics, vitamins, bulk drugs, vaccines, medical gases, diagnostic.

### **Amendments in Memorandum of Association:**

The following changes have been made in the Memorandum of Association of our Company since its inception:

Sr. No.	Date of Passing of Resolution	Type of Meeting	Particulars of Amendment
1.	November 10, 2022	Extra Ordinary General Meeting	Increase in authorized share capital of our Company from ₹ 10,00,000 divided into 1,00,000 Equity shares of ₹ 10 each to ₹ 20,00,00,000 divided into 2,00,00,000 Equity shares of ₹ 10 each

### **Other details regarding our Company**

Details regarding the description of our activities, the growth of our Company, technology, the standing of our Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, marketing, competition and foreign operations, please refer to the chapter titled “*Our Business*”, “*Our Management*” and “*Industry Overview*” on page 103, 132 and 94 respectively of this Prospectus.

Our Company has adopted a new set of Articles of Association of the Company, in the Extra Ordinary General Meeting of the Company dated March 22, 2023.

### **Capital Raising (Debt/Equity)**

For details of the equity capital raising of our Company, please refer to the chapter titled “*Capital Structure*” on page 61 of this Prospectus.

### **Injunctions or Restraining Orders**

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

### **Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets etc. and Material Agreements or Deeds**

Acquisition of DLS Export by way of a deed of business transfer agreement dated December 15, 2022. DLS Export, a proprietorship firm, was established by our promoter Panilam Lakhatariya on March 02, 2020. The acquisition was for an aggregate consideration of ₹ 609 lakhs, in order to grow our product portfolio in selected therapeutic areas.

On May 31, 1994, Ahmedabad Medical Corporation (AMC) was formed as a partnership firm. On October 23, 2020, the Promoters of our company acquired 100% ownership of AMC. Furthermore, Supal Distributors LLP, a partnership firm, was incorporated on November 24, 2016, with the Promoters of our company, Panilam Lakhatariya and Supal Lakhatariya, being the original partners.

In view of the similar kind of business activities undertaken in each of the entities and also separate banking limits taken in each of the entities and separate resources being deployed for the similar activities, we envisaged the need to integrate all such business activities into a one single entity and accordingly our company acquired proprietorship firm of our promoter Panilam Lakhatariya M/s DLS Export pursuant to business transfer agreement dated December 15, 2022 and acquired 99% ownership of partnership firms M/s Ahmedabad Medical Corporation and M/s Supal Distributors LLP from the promoters of our company on January 10, 2023.

### **Defaults or rescheduling of borrowing with financial institutions/banks**

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Prospectus.

### **Number of Shareholders of our Company**

Our Company has 17 (Seventeen) shareholders as on the date of filing of this Prospectus. For further details on the shareholding pattern of our Company, please refer chapter titled “*Capital Structure*” beginning on page 61 of the Prospectus.

### **Changes in the activities of our Company during the last five years**

There has been no change in the business activities of our Company during last five (5) years from the date of this Prospectus which may have had a material effect on the profit/loss account of our Company except as mentioned in Material development in chapter titled “*Management’s discussion and analysis of financial conditions & results of operations*” beginning on page 179 of this Prospectus.

### **Shareholders Agreement**

There are no subsisting shareholders agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same.

### **Other Agreements**

As on the date of this Prospectus, except as stated below, our Company has not entered into any agreements other than those entered into in the ordinary course of business.

<b>Details of Agreement</b>	The Licensor agrees to allow and hereby grants the exclusive right to use the said trademark in relation to the said goods dealt by the Licensees during the remaining portion of the period for which the registration of the said trademark shall stand valid or during the period of this agreement whichever expires earlier.
<b>Validity</b>	The agreement will remain in force till the remaining portion of the period for which the registration of the said trademark shall stand valid or earlier termination thereof.
<b>Terms and conditions</b>	<ul style="list-style-type: none"> <li>Licensor agreed and allowed the Licensees to put a label or advertise the said trade mark on every product, letter head, invoices, leaflets/pamphlets</li> </ul>

	<p>or any marketing promotional activities, whichever the Licensee is in need of at a given point of time.</p> <ul style="list-style-type: none"> <li>• For the license granted hereunder, the Licensees shall not pay the Licensor any compensation.</li> <li>• Except the right to use the said trade mark during the subsistence of this Agreement, the Licensee shall not have or claim to have any other right to the said trade mark. The Licensee shall not be allowed to sub assignee the right to use the trademark.</li> </ul>
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### **Joint Venture and Collaborations**

As on date of this Prospectus, our Company is not a party to any joint venture and collaboration agreements.

### **Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing this Prospectus.

### **Strategic and Financial Partnership**

Our Company does not have any strategic or financial partners.

### **Details of Holding and Subsidiary Company**

Except as stated below, our Company neither has a Holding company nor has any Subsidiary Company as on the date of this Prospectus. However, pursuant to Deed of admission dated January 10, 2023, M/s Ahmedabad Medical Corporation and M/s Supal Distributors LLP are subsidiary entities of the Company.

#### **I. Details of the Subsidiary Entities:**

##### **a. Ahmedabad Medical Corporation (AMC)**

#### ***Corporate Information***

Ahmedabad Medical Corporation is a partnership firm incorporated from June 01, 1994. On October 23, 2020, the Promoters of our company acquired 100% ownership of AMC. Our company acquired 99% ownership of partnership firm M/s Ahmedabad Medical Corporation from the promoters of our company Panilam Lakhatariya and Supal Lakhatariya on January 10, 2023.

#### ***Nature of Activities***

Ahmedabad Medical Corporation was majorly engaged in the business of wholesale trading of medicines as well as medicines commission agents.

#### ***Partners***

<b>Sr. No.</b>	<b>Partners</b>	<b>% of Holding</b>
1.	Mono Pharmacare Limited	99.00%
2.	Supal Lakhatariya	0.50%
3.	Panilam Lakhatariya	0.50%
	<b>Total</b>	<b>100%</b>

#### ***Audited Financial Information***

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
<b>I. Sources of Funds</b>			
<b>A. Partner's Funds</b>			
Partner's Capital	1,86,88,358	4,06,82,665	3,21,23,005
<b>B. Loan Funds</b>			
a. Secured Loans	7,64,16,361	5,86,27,939	4,48,78,031
b. Unsecured Loans	4,61,52,320	85,00,000	91,85,633
<b>II. Application of Funds</b>			
C. Fixed Assets (Net Block)	5,82,873	3,48,317	15,80,254
D. Investments	2,23,757	35,48,729	33,23,853
<b>E. Current assets, loans and advances</b>			
a. Inventories	8,43,94,792	4,93,18,196	3,34,95,570
b. Debtors	7,08,42,292	8,51,62,717	7,05,36,064
c. Loans and Advances	1,49,82,823	66,58,713	11,89,802
d. Cash and bank balances	13,98,605	1,73,669	3,74,631
Less:			
Current Liabilities	3,48,04,884	3,45,80,011	23,33,38,506
Provisions	16,50,000	28,19,725	9,75,000
Net Assets	3,64,54,884	10,39,13,559	8,12,82,561

## b. Supal Distributors LLP

### *Corporate Information*

Supal Distributors LLP was incorporated on November 24, 2016. Our Company acquired M/s Supal Distributors LLP from the promoters of our company Panilam Lakhatariya and Supal Lakhatariya on January 10, 2023.

### *Nature of Activities*

Supal Distributors LLP was majorly engaged in the business of import- export, trading in and commission agent of imitations, garments, food items, mettle and related items, all types of medicines and other related materials.

### *Partners*

Sr. No.	Partners	% of Holding
1.	Mono Pharmacare Limited	99.00%
2.	Supal Lakhatariya	0.50%
3.	Panilam Lakhatariya	0.50%
	<b>Total</b>	<b>100%</b>

### *Audited Financial Information*

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
<b>I. Sources of Funds</b>			
<b>A. Partner's Funds</b>			
Partner's Capital	1,00,000	1,00,000	1,00,000
Partner's Current Capital	8,96,842	5,81,33,956	4,66,77,507
<b>B. Loan Funds</b>			
a. Secured Loans	6,55,73,583	3,50,33,685	1,41,12,832
b. Unsecured Loans	9,17,83,409	2,07,26,433	3,49,33,608
<b>II. Application of Funds</b>			
C. Fixed Assets (Net Block)	64,11,695	62,32,538	63,77,504
D. Investments		-	-

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
E. Current assets, loans and advances			
e. Inventories	9,06,54,043	5,62,29,385	3,47,25,640
f. Debtors	7,51,11,651	6,04,93,819	4,98,43,650
g. Loans and Advances	1,28,47,533	1,90,58,765	1,53,81,762
h. Cash and bank balances	4,92,942	26,26,123	16,90,037
Less:			
Current Liabilities	2,54,43,028	2,83,46,556	1,11,12,146
Provisions	17,21,002	23,00,000	10,82,500
Net Assets	15,19,42,139	10,77,61,536	8,94,46,443

## **II. Other Confirmation of Subsidiary Entities:**

### ***Related Party Transactions within our Subsidiary Entity and significance on the financial performance of our Company***

Other than the transactions as disclosed under “*Restated Financial Statement of Related Party Transaction*” in chapter “*Restated Financial Statements*” on page 151, there are no other related business transactions within the Subsidiary Entity that may have significance on the financial performance of our Company.

### ***Outstanding litigation involving our Subsidiary Entities***

Other than disclosed under chapter “*Outstanding Litigation and Material Developments*” there are no pending litigations involving the Subsidiary Entity which may have a material impact on our Company. For details of litigation, kindly refer to chapter “*Outstanding Litigation and Material Developments*” on page 189 of this Prospectus.

### ***Accumulated Profits or Losses of our Subsidiary Entities***

There are no accumulated profits or losses of our Subsidiary Entities not accounted for, by our Company as on the date of the Prospectus.

### **Details of Associate Companies**

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

### **Time and Cost Overruns in Setting-up Projects**

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

### **Promoters of our Company**

The Promoters of our company are Panilam Lakhatariya and Supal Lakhatariya. For details, see “*Our Promoters and Promoter Group*” beginning on page 144 of this Prospectus.

### **Launch of key services, entry or exit in new geographies**

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter “*Our Business*” on page 103 of this Prospectus.

### **Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception.

### **Changes in the Management**

For details of changes in Management, please see chapter titled “*Our Management*” on page 132 of the Prospectus.

### **Competition**

For details on the competition faced by our Company, please refer to the chapter titled “*Our Business*” beginning on page 103 of this Prospectus.

### **Changes in accounting policies in last three (3) years**

As in the reporting period of restated financials, the company was a partnership firm and accordingly, was not following the provisions of the Companies act, 2013, as the case may be, in respect of rates of depreciation charged on fixed assets. However, in restated financials, the company has adopted the method and rates of depreciation in terms of Schedule II of companies act, 2013, as applicable in respective financial year. The company has recalculated the depreciation since financial year 2019-20 and accordingly, retrospective impact has been given in the restated financials.

### **Guarantees provided by our Promoters**

Save and except as disclosed in this Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Prospectus. Please refer to the chapter titled “*Financial Indebtedness*” beginning on page 186 of this Prospectus.

## OUR MANAGEMENT

### Board of Directors

Our Company currently has six directors on its Board, including two independent directors and one women director. For details on the strength of our Board, as permitted and required under the Articles of Association, see “*Main Provisions of Articles of Association*” on page 263 of this RHP.

The following table sets forth the details of our Board as on the date of this Prospectus:

Name, Designation, Date of Birth, Address, Occupation, Current Term, Date of Appointment and DIN	Age (years)	Other directorships
<p><b>Panilam Lakhatariya</b></p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>DIN:</i> 07659275</p> <p><i>Date of birth:</i> August 13, 1983</p> <p><i>Address:</i> 8, Rajvi Emerlad, Gala Gymkhana Road, Bopal- 380058, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Period of directorship:</i> Director since October 17, 2022.</p> <p><i>Original Date of Appointment:</i> October 17, 2022 as Executive Director of the Company</p> <p><i>Date of appointment at current Designation:</i> March 22, 2023</p> <p><i>Term:</i> 5 years w.e.f. March 22, 2023, and liable to retire by rotation.</p>	40	<p><b>Public Limited Companies:</b></p> <p>Nil</p> <p><b>Private Limited Companies:</b></p> <ul style="list-style-type: none"> <li>• Stylemantraas Private Limited</li> <li>• P S Water Solutions Private Limited*</li> </ul> <p><b>Foreign Companies:</b></p> <ul style="list-style-type: none"> <li>• Supal Trading L.L.C</li> </ul>
<p><b>Supal Lakhatariya</b></p> <p><i>Designation:</i> Executive Director</p> <p><i>Date of birth:</i> October 28, 1984</p> <p><i>DIN:</i> 07659180</p> <p><i>Address:</i> 8, Rajvi Emerlad, Gala Gymkhana Road, Bopal- 380058, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Current term:</i> Liable to retire by rotation</p>	38	<p><b>Public Limited Companies:</b></p> <p>Nil</p> <p><b>Private Limited Companies:</b></p> <ul style="list-style-type: none"> <li>• Stylemantraas Private Limited</li> </ul> <p><b>Foreign Companies:</b></p> <ul style="list-style-type: none"> <li>• Supal Trading L.L.C</li> </ul>

Name, Designation, Date of Birth, Address, Occupation, Current Term, Date of Appointment and DIN	Age (years)	Other directorships
<p><i>Original Date of Appointment:</i> October 17, 2022 as Executive Director of the Company</p>		
<p><b>Archit Shah</b></p> <p><i>Designation:</i> Executive Director</p> <p><i>DIN:</i> 09737945</p> <p><i>Date of birth:</i> July 28, 1989</p> <p><i>Address:</i> B- 401, Shukan Lotus, Near Tulsi Bunglows, Chandlodiya, Near S G Road, Ahmedabad- 382481, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><b>Nationality:</b> Indian</p> <p><i>Period of directorship:</i> Liable to retire by rotation</p> <p><i>Original Date of Appointment:</i> October 17, 2022 as Executive Director of the Company</p>	34	<p><b>Public Limited Companies:</b></p> <p>Nil</p> <p><b>Private Limited Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Mitul Sapara</b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>DIN:</i> 09008821</p> <p><i>Date of birth:</i> August 30, 1989</p> <p><i>Address:</i> 27, Prakashpark Society, Vejalpur, B/h Yogeshwar Apartment Ahmedabad- 380051, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><b>Nationality:</b> Indian</p> <p><i>Period of directorship:</i> Director since March 22, 2023</p> <p><i>Original Date of Appointment:</i> March 22, 2023</p>	33	<p><b>Public Limited Companies:</b></p> <p>Nil</p> <p><b>Private Limited Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Gaurang Vora</b></p> <p><i>Designation:</i> Non-Executive and Independent Director</p>	64	<p><b>Public Limited Companies:</b></p> <p>Zenith Healthcare Limited</p> <p><b>Private Limited Companies:</b></p>

Name, Designation, Date of Birth, Address, Occupation, Current Term, Date of Appointment and DIN	Age (years)	Other directorships
<p><i>DIN:</i> 01157447</p> <p><i>Date of birth:</i> April 03, 1959</p> <p><i>Address:</i> 54, Shyamal Row House Part 2 Satellite, Near Shyamal Cross Road, Ahmedabad- 380015, Gujarat, India.</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Period of directorship:</i> Director since March 22, 2023</p> <p><i>Original Date of Appointment:</i> March 22, 2023</p>		<p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>
<p><b>Chintan Trivedi</b></p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>DIN:</i> 10074674</p> <p><i>Date of birth:</i> May 13, 1976</p> <p><i>Address:</i> B/ 402, Shilalekh Apartment, Near Green Aarked, I P Savani Road, Adajan Surat-395009, Gujarat, India</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Period of directorship:</i> Director since March 22, 2023</p> <p><i>Original Date of Appointment:</i> March 22, 2023</p>	47	<p><b>Public Limited Companies:</b></p> <p>Nil</p> <p><b>Private Limited Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

\* Company is strike off.

### Brief profiles of our directors

**Panilam Lakhatariya** aged 40 years, is the Chairman and Managing Director of our company. He has been associated with the Company since its inception. He has been re-designated as Managing Director with effect from March 22, 2023. He has been an integral part of the Company since its inception. He has completed his Bachelor of Science from Gujarat Arts and Science College. He has gained extensive experience in the pharmaceutical industry, particularly in sales and marketing. His previous roles include leading a team of sales professionals to achieve revenue targets and expand market share within the assigned regions. Prior to his current role, he was previously associated with Glenmark Pharmaceuticals Limited and Intas Pharmaceuticals Limited as Sales Manager.

**Supal P Lakhatariya** aged 38 years, is the Executive director of our company. She has been associated with the Company since its inception. She holds a Bachelor of Science degree from St. Xavier's College, Gujarat University and has also completed a Laboratory Technician Course from Sheth V.S.General Hospital & Sheth Chinai Maternity Hospital, R.M.School of Post Graduate. Her previous experience includes working as a Medical Representative at Krishna Medical Stores for over 5 years, where she gained a deep understanding of the pharmaceutical industry. She has been instrumental in the Company's growth and success. She is responsible for the day-to-day operations of the company and manages all departments.

**Archit Shah** aged 34 years, is an Executive Director of our company. He has completed his Bachelor of Pharmacy from Bhavnagar University. He was appointed as Executive Director w.e.f. October 17, 2022. His role is instrumental in achieving assigned targets for the company includes maintaining strong relationships with retail chemists and ensuring the accessibility of the brand. He was previously associated with Micro Labs Limited and Bayer Zydus Pharma Private Limited.

**Mitul Sapara** aged 33 years, is the Non-Executive Director of our company. He has been associated with the company since March 22, 2023. He earned a Bachelor of Commerce degree from R.J. Tibrewal Commerce College and a Master of Commerce degree. He also completed a Master of Administration degree in Finance from C.U. Shah College of Engineering and Technology in Surendranagar. He has more than 6 years of experience in the field of accounts. He is also associated with Supal Distributors LLP as Assistant Manager since 2016 and he remains associated with the LLP to this day. He is responsible for managing the sales, purchase and account departments.

**Gaurang Vora**, aged 64 years, is the Non- Executive Independent Director of our Company. He was appointed w.e.f. March 22, 2023. He has been appointed as an Independent Director. He is a Fellow member of Institute of Chartered Accountant of India with over 30 years' experience and versatile knowledge in the areas of Tax, Audit, Project Finance and Company law matters.

**Chintan Trivedi**, aged 47 years, is the Non-Executive Independent Director of our Company. He was appointed w.e.f. March 22, 2023. He completed his Diploma in Pharmacy from Government Pharmacy College, Lakhtar and also holds a Bachelor of Science degree from Saurashtra University. He has more than 15 years of experience in Medicines and pharmaceuticals industry. Until March 31, 2022, he worked as a working partner at BVM Spinner for a period of four years, where he oversaw technology updates at each level of the cotton ginning mill process and serves as a key decision-maker.

**Confirmations:**

**a) Details of directorship in companies suspended or delisted**

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Prospectus, during the term of their directorship in such company.

Further, none of our directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

**b) Family Relationship between the Directors**

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.

Name	Relationship
Panilam Lakhatariya and Supal Lakhatariya	Panilam Lakhatariya is husband of Supal Lakhatariya
Supal Lakhatariya and Archit Shah	Supal Lakhatariya is sister of Archit Shah

**c) Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Prospectus.

- d)** None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- e)** None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.
- f)** None of the Promoters or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment

**Borrowing Powers**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on February 16, 2023, our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (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 ₹ 100 Crores.

**Terms of employment of our Managing Director**

**Panilam Lakhatariya, Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on March 21, 2023 for recommendation of appointment of Panilam Lakhatariya as Managing Director and approved by the Shareholders of our Company at the EGM held on March 22, 2023, Panilam Lakhatariya was appointed as the Managing Director of our Company for a period of 5 years with effect from March 22, 2023, the terms of remuneration, including his salary, allowances and perquisites were approved. The terms of remuneration of our Managing Director have been summarized below:

<b>Basic Salary</b>	Maximum of ₹ 1,00,000/- per month, exclusive of all allowances and perquisites
<b>Perquisites</b>	Expenditure incurred by the Company on Gas, electricity, water and furnishings
	Medical Reimbursement: Actual incurred for self and family
	Club fees: Fees for two clubs, including admission and lifetime membership fees.
	Company's car with driver for the business of the Company.
	Reimburse actual entertainment and travelling expenses incurred by the MD in connection with the Company's business.

**Sitting fees and commission to Non-Executive Directors and Independent Directors**

Non-Executive Directors of the company - both Independent and Non-Independent - may be paid sitting fee, commission, and any other amounts as may be decided by our board in accordance with the provisions of the Articles of Association, the Companies Act, and other applicable laws & regulations. None of our Non-Executive Directors (both Independent and Non-Independent) have received any remuneration/ compensation during preceding financial year.

### Payments or benefits to our directors

#### Executive Directors

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Director for Fiscal 2023:

Name of the Executive Director	Remuneration for Fiscal 2023 (in ₹ lakhs)
Panilam Lakhatariya	10.50
Supal Lakhatariya	10.50
Archit Shah	Nil

#### Non-Executive Directors:

Non-Executive Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board.

#### Contingent and deferred compensation payable to the Directors

As on the date of this Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

#### Bonus or profit-sharing plan for our directors

Our Company does not have any performance-linked bonus or a profit-sharing plan in which our directors have participated.

#### Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

#### Shareholding of Directors in our Company

The details of the shareholding of our directors as on the date of this Prospectus are as follows:

Sr. No.	Name of the Director	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)*
1.	Panilam Lakhatariya	80,26,761	64.90	45.43
2.	Supal Lakhatariya	19,93,458	16.12	11.28
3.	Archit Shah	530	0.00	Negligible
	<b>Total</b>	<b>1,00,20,749</b>	<b>81.02</b>	<b>56.71</b>

\* Subject to finalisation of Basis of Allotment.

#### Interests of our Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer “*Our Management - Shareholding of Directors in our Company*” beginning on page 132 of this Prospectus.

Other than our promoters, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as stated in the chapter “*Our Business*” on page 103 of this Prospectus and in the chapter “*Restated Consolidated Financial Statement*” on page 151 none of our directors have any interest in the property proposed to be acquired by our Company.

Except as disclosed in the section titled in “*Restated Financial Statements*” on page 151, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

For details with respect to loan to directors, please refer to chapter titled “*Restated Financial Statement*” on page 151 of this Prospectus.

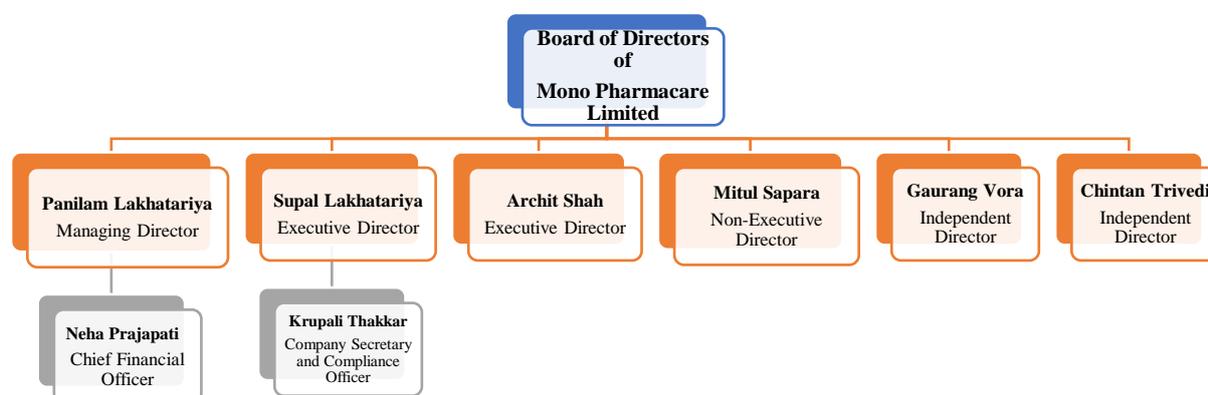
### **Changes in our Company’s Board of Directors during the last three (3) years**

Following are the changes in the Board of Directors during the last three (3) years

<b>Name of Directors</b>	<b>Date of Appointment</b>	<b>Date of Change in designation</b>	<b>Date of cessation</b>	<b>Reasons for changes in the Board</b>
Supal Lakhatariya	October 17, 2022	-	-	Appointment as Executive Director
Panilam Lakhatariya	October 17, 2022	March 22, 2023	-	Appointment as Managing Director
Archit Shah	October 17, 2022	-	-	Appointment as Executive Director
Mitul Sapara	March 22, 2023	-	-	Appointment as Non-Executive Director
Gaurang Vora	March 22, 2023	-	-	Appointment as Independent Director
Chintan Trivedi	March 22, 2023	-	-	Appointment as Independent Director

## Management Organization Structure

The following chart depicts our Management Organization Structure



## COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI (LODR) Regulations to the extent applicable to the entity whose shares are listed on the SME Exchange will also be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations.

### Constitutions of Committees

Our Company has constituted the following committees:

#### 1. Audit Committee

Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on March 23, 2023, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises of following members.

Name of the Directors	Designation	Designation in Committee
Gaurang Vora	Non-Executive Independent Director	Chairperson
Chintan Trivedi	Non-Executive Independent Director	Member
Panilam Lakhatriya	Managing Director	Member

The Company Secretary of our Company shall act as a Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### Terms of reference:

## **Role of Audit Committee**

The scope of audit committee shall include, but shall not be restricted to, the following:

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval, particularly with respect to;
  - a. Changes, if any, in accounting policies and practices and reasons for the same,
  - b. Major accounting entries involving estimates based on the exercise of judgment by management,
  - c. Significant adjustments made in the financial statements arising out of audit findings,
  - d. Compliance with listing and other legal requirements relating to financial statements,
  - e. Disclosure of any related party transactions,
  - f. Modified opinion(s) / Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party, subject following conditions;
  - The Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;
  - In case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;
  - In case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
5. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus, and making appropriate recommendations to the Board to take up steps in this matter;
6. Scrutiny of Inter-corporate loans and investments;
7. Reviewing and discussing 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;
8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
9. Valuation of undertakings or assets of the company, where ever it is necessary;
10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
11. 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;
12. To monitor the end use of fund invested or given by the Company to Subsidiary Companies;
13. Carrying out any other function as assigned by the Board of Directors from time to time.

## **Review of information by Audit Committee**

The audit committee shall mandatorily review the following information:

1. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Internal Auditor.
5. Quarterly / half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
6. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus.

#### **Powers of the Audit Committee:**

The audit committee shall have the powers, which should include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employees;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
6. To investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

## **2. Stakeholders Relationship Committee**

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated March 23, 2023. The constituted Stakeholders Relationship Committee comprises of following members:

<b>Name of the Directors</b>	<b>Designation</b>	<b>Designation in Committee</b>
Mitul Sapara	Non-Executive Director	Chairperson
Chintan Trivedi	Non- Executive Independent Director	Member
Panilam Lakhatariya	Managing Director	Member

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

#### **Terms of Reference**

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
2. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
3. Issue duplicate/split/consolidated share certificates;
4. Dematerialization/Rematerialization of Share;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in

good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.

- Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

### 3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated March 23, 2023. The Nomination and Remuneration Committee comprises of following members:

Name of the Directors	Designation	Designation in Committee
Chintan Trivedi	Non- Executive Independent Director	Chairperson
Mitul Sapara	Non-Executive Director	Member
Gaurang Vora	Non-Executive Independent Director	Member

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

#### The terms of reference:

- 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;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every Director's performance.
- To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

### KEY MANAGERIAL PERSONNEL

#### Profiles of our Key Managerial Personnel ("KMP")

In addition to our Managing Director, Panilam Lakhatariya, whose details are provided under "*Brief biographies of the Directors*" beginning on page 132 of this Prospectus, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel

- Neha Prajapati**, aged 28 years, is the Chief Financial Officer (CFO) of our Company. She has been associated with our Company w.e.f. March 21, 2023. She has completed Bachelor of Commerce from C.U. Shah Commerce College and Master of Commerce from N.C. Bodiwala and M.C. Desai Commerce College. Earlier, She has worked with Malay Pandit & Associates, Chartered Accountant and Ahmedabad Medical Corporation for more than 3 years. The finance and accounting of company is completely under her scrutiny. She is entitled to remuneration of ₹ 4.8 Lakhs p.a.
- Krupali Thakkar**, aged 32 years, is the Company Secretary and Compliance Officer of the Company. She has been associated with our Company as Company Secretary and Compliance Officer w.e.f. December 26, 2022. She has completed Bachelor of Commerce from the Maharaja Sayajirao University of Baroda. She has experience of more than 5 years in compliance and secretarial work. She is responsible for compliance with statutory and regulatory requirements and for ensuring that decisions

of our Board are implemented. She had worked at Supreme Engineering Limited for four years prior to joining our Company. She is entitled to remuneration of ₹ 1.80 Lakhs p.a.

### **Relationship amongst the Key Managerial Personnel of our Company**

None of our directors and Key Managerial Personnel of our Company are related to each other.

### **Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the above Key Managerial Personnel have entered into to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Prospectus

### **Bonus or profit-sharing plan of the Key Managerial Personnel**

Our Company does not have a profit sharing plans for the Key Management Personnel.

### **Shareholding of Key Management Personnel in our Company**

None of our Key Managerial Personnel except Panilam Lakhatariya holds Equity Shares in our Company as on the date of filing of this Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 61 of this Prospectus.

### **Changes in Our Company’s Key Managerial Personnel during the last three (3) years**

<b>Name of KMP</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>	<b>Reason</b>
Panilam Lakhatariya	Managing Director	March 22, 2023	-	Re-designated as Managing Director
Krupali Thakkar	Company Secretary and Compliance Officer	December 26, 2022	-	Appointed as Company Secretary and Compliance Officer
Neha Prajapati	Chief Financial Officer	March 21, 2023	-	Appointed as Chief Financial Officer

### **Interest of Key Managerial Personnel**

Except as disclosed in this Prospectus, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

### **Employee Stock Option or Employee Stock Purchase**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Prospectus.

### **Payment of Benefits to of our KMPs (*non-salary related*)**

Except as disclosed in this Prospectus other than any statutory payments made by our Company to its KMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled “*Restated Financial Statements*” beginning on page 151 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### Promoters

Panilam Lakhatariya and Supal Lakhatariya are the Promoters of our Company. As on the date of this Prospectus, our Promoters hold 1,00,20,219 Equity Shares, representing 81.02% of the pre-issue issued, subscribed and paid-up capital, on a fully diluted basis, of our Company. For details, please see “*Capital Structure – Build-up of Promoter’s shareholding, Minimum Promoter’s Contribution and lock-in – Build-up of the Equity Shareholding of our Promoters in our Company*” on page 61.

**Details of our Promoters are as follows:**

#### *Panilam Lakhatariya*



Panilam Lakhatariya, aged 39 years, is one of the Promoters of our Company.

*Permanent Account Number: ACDPL7362D*

For the complete profile of Panilam Lakhatariya along with details in respect of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see “*Our Management*” on page 132.

#### *Supal Lakhatariya*



Supal Lakhatariya, aged 38 years, is one of the Promoters the Executive Director of our Company.

*Permanent Account Number: AHZPL5982C*

For complete profile of Supal Lakhatariya along with details in respect of his date of birth, address, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, see “*Our Management*” on page 132.

*Our Company confirms that the permanent account number, bank account number(s), passport number, aadhar card number and driving license number of our Promoters, shall be submitted to the Stock Exchange at the time of filing this Prospectus.*

### Other ventures of our Promoters

Our Promoters, Panilam Lakhatariya and Supal Lakhatariya are also involved in other ventures and business activities in different capacities as listed below:

#### **Panilam Lakhatariya:**

Sr. No.	Name of entity	Nature of Interest/Position	of	CIN/ Registration No. of Entity
1.	Supal Distributors LLP	Designated Partner		AAH-8775
2.	Supal Medical & Wholesale LLP	Designated Partner		AAJ-4892
3.	Stylemantraas Private Limited	Director and Shareholder		U36999GJ2022PTC132832
4.	P S Water Solutions Private Limited*	Director and Shareholder		U51900GJ2021PTC126972
5.	Ahmedabad Medical Corporation	Partner		AAGFA0999L
6.	R B Agencies	Partner		ABGFR0718R

Sr. No.	Name of entity	Nature of Interest/Position	of	CIN/ Registration No. of Entity
7.	Panilam Shivilal Lakhatariya HUF	Karta		AAQHP4851G
8.	Supal Pharma	Partner		ADVFS4838G
9.	Supal Trading L.L.C	Director and Shareholder		1714549
10.	Supal & Co.	Partner		ADNFS6036N

*\*Company is strike-off.*

### **Supal Lakhatariya:**

Sr. No.	Name of entity	Nature of Interest/Position	of	CIN/Registration No. of Entity
1.	Supal Distributors LLP	Designated Partner		AAH-8775
2.	Supal Medical & Wholesale LLP	Designated Partner		AAJ-4892
3.	Stylemantraas Private Limited	Director and Shareholder		U36999GJ2022PTC132832
4.	Ahmedabad Medical Corporation	Partner		AAGFA0999L
5.	R B Agencies	Partners		ABGFR0718R
6.	Panilam Shivilal Lakhatariya HUF	Co-parcener		AAQHP4851G
7.	Supal Trading L.L.C	Shareholder		1714549
8.	Supal & Co.	Partner		ADNFS6036N

### **Interests of Promoters**

Our Promoters are interested in our Company in the following manner:

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

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) that either they, or any of their relatives, hold any direct or indirect shareholding or other securities in our Company, and any dividends or any other distributions payable in respect thereof; and (iii) any other distributions in respect of his shareholding in our Company. For details, see “*Capital Structure – History of the share capital held by our Promoters – Build-up of our Promoters shareholding in our Company*” beginning on page 61.

#### ***Interest of Promoters in our Company other than as a Promoter***

The Promoters of our Company are also interested in our Company as Managing Director (Panilam Lakhatariya) and Executive Director (Supal Lakhatariya) of our Company and may be deemed to be interested in the remuneration payable to him and the reimbursement of expenses incurred by them in the said capacity. For further details, see “*Our Management*” on page 132.

#### ***Interest in the properties of our Company***

Our Promoters and members of our Promoter Group have provided their personal properties as collateral securities and personal guarantees for cash credit facility bank loan. Our Promoters and Promoter group members have also provided unsecured loans to our Company. For further details, please refer chapter titled “*Financial Statements*” and “*Financial Indebtedness*” on page 151 and 186, respectively in this Prospectus.

Our Promoters are not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### **Other Interest and Disclosures**

Our Promoter are also shareholder and director/Partner/Proprietor of promoter group entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to the Promoter group Entities. For the payments that are made by our Company to Promoter Group Entities, please refer to “Annexure 24 – Related Party Transactions” in the chapter titled “Restated Financial Information” beginning on page 151 of this Prospectus.

Except as stated under " Annexure 24 – Related Party Transactions" in the chapter titled “Restated Financial Information” beginning on page 151 of this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two (2) years from the date of this Prospectus or proposes to enter into any such contract 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.

Our Promoters are not related to any sundry debtors of our Company except as disclosed in Restated Financial Statements.

Except as disclosed in this Prospectus, our Promoter is not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

### **Payment or benefits to Promoters or Promoter Group**

Except as stated in the Annexure – 24 “Related Party Transactions” on page 151 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Prospectus.

### **Companies or firms with which our Promoters have disassociated in the last three years.**

Except as stated below, our Promoters have not dissociated himself from any companies or firms in the three years preceding the date of this Prospectus.

<b>Name of the Promoters</b>	<b>Name of the Disassociating Entity</b>	<b>Date of Disassociation</b>	<b>Reason for Disassociation</b>
Panilam Lakhatariya Supal Lakhatariya	Quealth Pharmaceutical Private Limited	September 10, 2022	Pre-Occupation
Panilam Lakhatariya Supal Lakhatariya	DLS Export Corporation Private Limited	February 28, 2023	Pre-Occupation

### **Change in the control of our Company**

M/s. Mono Chemist was established as a partnership firm on May 06, 1994. Later, on May 13, 2018, Panilam Lakhatariya and Supal Lakhatariya joined the partnership firm. The firm's goodwill has been assessed and valued at ₹19,40,000, which was added to the retiring partner's account in their sacrificing ratio.

Subsequently, on July 25, 2019, the promoters acquired 100% ownership of the partnership firm through an alteration in the partnership deed. The retiring partner, Naitik Shah's share, has been computed at ₹33,50,000, along with the goodwill worth ₹9,70,000 and the net value of assets at ₹ 19,60,000, after deducting the liabilities and debts and our Promoters acquired 100% ownership of the partnership firm on July 25, 2019. Further, new partners i.e. Shivalal Gandalal Lakhatariya, Shardaben

Shivlal Lakhatariya, Shivam Parag Chauhan, Archit Suhasbhai Shah and Pallaviben Suhasbhai Shah were added pursuant to deed of admission dated June 18, 2022.

### **Experience in the business of our Company**

Our Promoters have adequate experience in the business of our Company.

### **Material guarantees**

Except as stated in the chapter titled “*Financial Indebtedness*” and section titled “*Restated Financial Statements*” beginning on page 186 and 151 of this Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Prospectus.

### **Shareholding of the Promoter Group in our Company**

For details of Shareholding of members of our promoter group as on the date of this Prospectus see section titled “*Capital Structure*” on page 61.

### **Outstanding Litigation**

There is no outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and “*Outstanding Litigation and Material Developments*” beginning on page 28 and 189 of this Prospectus.

### **Common Pursuits of Promoter and Promoter Group Entities**

Our Promoters have interest in the ventures that are involved in the same line of activity or business as that of our Company. For further information on common pursuits and risks associated, please refer risk factor on ‘conflicts of interest’ in chapter titled “*Risk Factors*” beginning on page 30 of this Prospectus.

### **Other confirmations**

- (a) Our Promoters are not Wilful Defaulters or Fraudulent Borrowers.
- (b) Our Promoters are not Fugitive Economic Offenders.
- (c) Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.
- (d) Our Promoters are not, and have not been in the past, a promoter or a director of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

### **Promoter Group of our Company**

#### **(a) Individual Promoter Group of our Promoters**

<b>Relationship with Promoter</b>	<b>Panilam Lakhatariya</b>	<b>Supal Lakhatariya</b>
Father	Shivlal Lakhataria	Suhas Shah
Mother	Shardaben Lakhataria	Pallaviben Shah
Brother	Anilam Lakhataria	Archit Shah
Sister	Neelamben Chauhan	-
Spouse	Supal Lakhatariya	Panilam Lakhatariya
Daughter	Dhyanshi Lakhatariya	Dhyanshi Lakhatariya
Son	Prakshal Lakhatariya	Prakshal Lakhatariya
Spouse’s mother	Pallaviben Shah	Shardaben Lakhataria

Relationship with Promoter	Panilam Lakhatariya	Supal Lakhatariya
Spouse's father	Suhas Shah	Shivlal Lakhataria
Spouse's brother	Archit Shah	Anilam Lakhataria
Spouse's sister	-	Neelamben Chauhan

**(b) Entities forming a part of Promoter Group**

Sr. No.	Name of Entities	PAN
1.	Supal Medical & Wholesale LLP	ADJFS2191Q
2.	Supal Pharma	ADVFS4838G
3.	Supal Distributors LLP	ADEFS8542E
4.	Ahmedabad Medical Corporation	AAGFA0999L
5.	R. B. Agencies	ABGFR0718R
6.	Stylemantraas Private Limited	ABICS7236A
7.	P S Water Solutions Private Limited*	AAMCP4327J
8.	Krishna Medicals Stores	ACIPS6630E
9.	Supal & Co.	ADNFS6036N
10.	Panilam Shivlal Lakhatariya HUF	AAQHP4851G
11.	Supal Trading L.L.C	1714549

\*Company is strike-off.

Other than as disclosed here, our Company has no companies or entities that form part of our Promoter Group.

## OUR GROUP COMPANY

Pursuant to a resolution of our Board dated March 23, 2023, in accordance with the SEBI (ICDR) Regulations, 2018 during the period for which financial information is disclosed in the Prospectus, as covered under the applicable Accounting Standards i.e., GAAP with whom our Company has had related party transactions for the period ended October 16, 2022 and March 31, 2023, and for financial years ended March 31, 2022 and March 31, 2021 and also other companies as considered material by the Board as per the materiality policy adopted by the Board pursuant to its resolution dated March 23, 2023 (the “*Materiality Policy on Group Companies*”) for the purpose of disclosure in the Offer document in connection with the Issue.

In terms of the Materiality Policy on Group Companies apart from the companies with which there have been related party transactions during the period for which financial information has been disclosed under this Prospectus, a company is considered to be a material Group Company as under:

- a) The companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or
- b) if such company fulfils both the below mentioned conditions: -
  - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI(ICDR) Regulations; and
  - ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10.00% of total revenue of the Company as per Restated Consolidated Financial Statements

Accordingly, based on the parameters outlined above, our Company does not have any Group Company as on the date of this Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares since Incorporation.

## SECTION VI – FINANCIAL INFORMATION

### RESTATED CONSOLIDATED FINANCIAL STATEMENTS

#### Independent Auditor’s Report for the Restated Consolidated Financial Statements of Mono Pharmacare Limited

#### INDEPENDENT AUDITOR’S REPORT ON RESTATED FINANCIALS STATEMENTS

To,  
The Board of Directors,  
Mono Pharmacare Limited  
1A, Krinkal Apartment,  
Paldi, Ahemdabad- 380007

Dear Sir,

1. We have examined the attached Restated Consolidated Financial Information of **Mono Pharmacare Limited** (the “Company” or the “Issuer”), comprising the Restated consolidated Statement of Assets and Liabilities as at March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021, the Restated consolidated Statements of Profit and Loss, the Restated consolidated Cash Flow Statement for the period and year ended on that date, the Restated Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated consolidated Financial Statements (collectively, the “ Restated consolidated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on March 21, 2023 for the purpose of inclusion in the Red Herring Prospectus (“RHP”) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (“SME IPO”) prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - b) Relevant provision of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”);
  - c) The terms of reference to our engagement with the Company requesting us to examine financials statement referred to above and proposed to be included in the RHP being issued by the Company for IPO of equity shares in SME Platform;
  - d) The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - e) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated consolidated Financial Information for the purpose of inclusion in the RHP to be filed with, Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed SME IPO. The Restated consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 1.2 (i) under Annexure D “Basis of Preparation to the Restated consolidated Financial Information”. The Board of Directors of the Company are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated consolidated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We have examined such Restated consolidated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 25<sup>th</sup> November, 2022 in connection with the proposed IPO of the Company;
  - b) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations.  
Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated consolidated Financial Statements have been compiled by the management from the Audited Financial Statements of the Company for the period/year ended on March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021, which has been approved by the Board of Directors. The financial statements of the Company for the period ended March 31, 2023 and for the period ended October 16, 2022 has been audited by Kumbhat & Co. (Chartered Accountants) and for the year ended March 31, 2022, March 31, 2021 has been audited by M/s. R.K. Mergu & Co (Chartered Accountants).
5. We, M/s. Kumbhat & Co. Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold the peer review certificate No. 012509 having effective date from September 07, 2020 to September 30, 2023.
6. For the purpose of our examination, we have relied on:
  - a) Financial Information as per Audited Financial Statements and their Auditors’ reports issued by previous auditors for the financial year ended on March 31, 2022 and March 31, 2021. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us.
- I. We have examined:
  - a) The attached Restated consolidated Statement of Assets and Liabilities of the company, as at March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021. (Annexure A);
  - b) The attached consolidated Restated Statement of Profits & Losses of the Company for the Period/year ended on March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021. (Annexure B);
  - c) The attached consolidated Restated Statement of Cash flows of the Company for period/year ended on March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021,. (Annexure C);
  - d) The Significant Accounting Policies adopted by the Company and notes to the Restated consolidated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure D);  
(Collectively hereinafter referred as “Restated consolidated Financial Statements” or “Restated consolidated Summary Statements”)

- II. In accordance with the requirements of Act, SEBI ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
- a) The “Restated consolidated Statement of Assets and Liabilities” as set out in Annexure A to this report, of the Company as at March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure D to this Report.
  - b) The “Restated consolidated Statement of Profit and Loss” as set out in Annexure B to this report, of the Company for period/year ended March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure D to this Report.
  - c) The “Restated consolidated Statement of Cash Flow” as set out in Annexure C to this report, of the Company for period/year ended March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure D to this Report.
  - d) Based on the above and also as per the reliance placed by us on the audited financial statements of the company and auditor’s report thereon which have been prepared by us/Previous Auditors for the Period ended on that date, we are of the opinion that “Restated consolidated Financial Statements” or “Restated consolidated Summary Statements” have been made after incorporating:
    - i. Adjustments for the changes in accounting policies retrospectively in respective financial period / years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
    - ii. Adjustments for prior period and other material amounts in the respective financial years / period to which they relate and there are no qualifications which require adjustments.
    - iii. There are no Extra-ordinary items which need to be disclosed separately in the Restated Summary Statements;
    - iv. There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period / year ended on March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021 which would require adjustments in this Restated consolidated Financial Statements of the Company.
    - v. These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments / restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure D to this report.
  - i. We have also examined the following financial information as set out in annexure prepare by the management and as approved by the Board of Directors of the Company for the period ended on March 31, 2023, October 16, 2022, March 31, 2022 and March 31, 2021.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Annexures</b>
1	Corporate information as appearing in	1.1
2	Summary of significant accounting policies as appearing in	1.2
3	Restated consolidated Statement of Share Capital	2
4	Restated consolidated Statement of Reserves and Surplus	3
5	Restated consolidated Statement of Long Term Borrowings	4
6	Restated consolidated Statement of Short Term Borrowings	5
7	Restated consolidated Statement of Trade Payables	6
8	Restated consolidated Statement of Other Current Liabilities	7
9	Restated consolidated Statement of Short Term Provisions	8
10	Restated consolidated Statement of Property, Plants and Equipment	9
11	Restated consolidated Statement of Deferred Tax Asset/Liabilities	10
12	Restated consolidated Statement of Inventories	11
13	Restated consolidated Statement of Trade Receivables	12
14	Restated consolidated Statement of Cash and Cash Equivalents	13
15	Restated consolidated Statement of Short Term Loans and Advances	14
16	Restated consolidated Statement of Other Current Assets	15
17	Restated consolidated Statement of Revenue from Operations	16
18	Restated consolidated Statement of Other Income	17
19	Restated consolidated Statement of Purchase of Traded goods	18
20	Restated consolidated Statement of Increase/(Decrease) in Stock	19
21	Restated consolidated Statement of Employee Benefit Expenses	20
22	Restated consolidated Statement of Finance Cost	21
23	Restated consolidated Statement of Depreciation and Amortisation Cost	9
24	Restated consolidated Statement of Other Expenses	22
25	Restated consolidated Statement Of Earnings Per Share	23
26	Restated consolidated Statement Of Related Party Transaction	24
27	Restated consolidated Statement Of Earning In Foreign Currency (Fob Value)	25
28	Restated consolidated Statement Of Expenditure In Foreign Currency	26
29	Material Adjustments And Regroupings To Restated Summary Statements	27
30	Restated consolidated Statement Of Accounting Ratios	28
31	Restated consolidated Statement Of Tax Shelters	29
32	Restated Statement Of Disclosures of Accounting ratios and reason for variance	30

- ii. The Restated Financial Information contains all the disclosures required by the SEBI ICDR regulations and disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- iii. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.

- iv. In our opinion, the above financial information contained in Annexure A to D and Annexure 1 to 30 of this report read along with the Restated Statement of Significant Accounting Policies and Notes as set out in Annexure D are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI ICDR Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- v. Consequently, the Restated consolidated financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The Restated consolidated Financial Statement do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
10. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/ Prospectus to be filed with Securities and Exchange Board of India, relevant stock exchange and Registrar of Companies, Ahmedabad in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Mumbai  
Dated: August 14, 2023

For **KUMBHAT & CO.**  
Chartered Accountants  
Firm Regn. No. 001609S

Gaurang C. Unadkat  
Partner  
Mem. No. 131708  
UDIN:23131708BGWHBX5804

**MONO PHARMACARE LIMITED**

**Annexure A: Restated Consolidated Statement of Assets and Liabilities**

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March,2023	As at 16th October 2022	As at 31st March,2022	As at 31st March, 2021
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>(1)</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	<b>2</b>	1236.86	429.83	427.57	369.58
	(b) Reserve and surplus	<b>3</b>	131.71	-	-	-
<b>(2)</b>	<b>Minority Interest</b>		0.28			
			<b>1368.85</b>	<b>429.83</b>	<b>427.57</b>	<b>369.58</b>
<b>(3)</b>	<b>Non-current liabilities</b>					
	(a) Long-term borrowing	<b>4</b>	1532.46	170.04	151.37	98.56
			<b>1532.46</b>	<b>170.04</b>	<b>151.37</b>	<b>98.56</b>
<b>(4)</b>	<b>Current Liabilities</b>					
	(a) Short Term Borrowings	<b>5</b>	2460.24	500.81	492.56	509.47
	(b) Trade Payables	<b>6</b>				
	(i) Due to Micro, Small and Medium Enterprises		414.94	14.97	294.09	-
	(ii) Others		278.80	677.93	40.51	125.46
	(c) Other Current Liabilities	<b>7</b>	110.77	44.45	5.82	7.61
	(d) Short-term Provisions	<b>8</b>	91.33	14.50	26.40	11.78
			<b>3356.08</b>	<b>1252.66</b>	<b>859.36</b>	<b>654.33</b>
	<b>TOTAL</b>		<b>6257.39</b>	<b>1852.52</b>	<b>1,438.31</b>	<b>1,122.46</b>
<b>II.</b>	<b>ASSETS</b>					
<b>(1)</b>	<b>Non Current Assets</b>					
	(a) Property, Plants & Equipment	<b>9</b>				
	(i) Tangible Assets		82.64	30.83	29.68	39.09
	(b) Non-Current Investments		57.34	-	-	-
	(c) Deferred tax assets (Net)	<b>10</b>	5.28	-	-	-
	(d) Long-term loans and advances		1.45			
			<b>146.72</b>	<b>30.83</b>	<b>29.68</b>	<b>39.09</b>
<b>(2)</b>	<b>Current Assets</b>					
	(a) Inventories	<b>11</b>	3268.61	609.09	471.37	414.05
	(b) Trade Receivables	<b>12</b>	2187.05	958.38	552.10	534.66
	(c) Cash and Cash Equivalents	<b>13</b>	41.77	38.15	24.47	17.32
	(d) Short Term Loans and Advances	<b>14</b>	533.92	208.22	358.34	111.98
	(e) Other Current Assets	<b>15</b>	79.32	7.86	2.35	5.37
			<b>6110.68</b>	<b>1,821.69</b>	<b>1,408.63</b>	<b>1,083.37</b>
	<b>TOTAL</b>		<b>6257.39</b>	<b>1852.52</b>	<b>1,438.31</b>	<b>1,122.46</b>

See accompanying annexures forming part of the restated financial statement

**For Kumbhat & Co.**  
Chartered Accountants  
FRN: 001609S

**For and on behalf of the Board of Directors Mono Pharmacare Limited**

Panilam S. Lakhatariya  
**Chairman & Managing Director**

Neha C. Prajapati  
**Chief Finance Officer**

Gaurang Unadkat  
Partner  
Membership No. : 131708  
Place:- Ahmedabad  
Date:- August 14, 2023

Krupali Thakkar  
**Company Secretary**  
Place: Ahmedabad

Archit Shah  
**Director**

**MONO PHARMACARE LIMITED**

**Annexure B: Restated Consolidated Statement of Profit and Loss**

(Rupees in Lakhs)

	Particulars	Note No.	For the period Oct. 17, 2022 to March. 31, 2023	For the period April 01, 2022 to Oct. 16, 2022	For the year ended on 31st March 2022	For the year ended on 31st March 2021
I	Revenue from operation	16	3308.70	2,538.94	3,698.30	2,826.61
II	Other income	17	6.07	7.61	11.96	11.22
III	<b>Total Revenue ( I + II )</b>		<b>3314.77</b>	<b>2,546.55</b>	<b>3,710.27</b>	<b>2,837.83</b>
IV	<b>Expenses</b>					
	Purchase of Traded Goods	18	5583.37	2,547.66	3,526.46	2,774.27
	(Increase)/Decrease in Stock	19	-2659.52	(137.72)	(57.32)	(118.68)
	Employee Benefits Expenses	20	84.96	25.44	62.18	53.88
	Finance Cost	21	93.09	39.16	74.21	66.17
	Depreciation and Amortisation Cost	9	5.08	5.29	10.82	12.83
	Other expenses	22	75.99	30.90	38.83	32.45
	<b>Total Expenses</b>		<b>3182.98</b>	<b>2,510.71</b>	<b>3,655.18</b>	<b>2,820.92</b>
V	<b>Profit before tax Extraordinary and Exceptional Items ( III - IV )</b>		<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
VI	Exceptional Items		0.00	-	-	-
VII	<b>Extraordinary Items And Tax ( V- VI )</b>					
	Prior Period Expenses		0.00	-	-	-
VIII	<b>Profit Before Tax</b>		<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
IX	Tax Expenses					
	(1) Current Tax		42.54	7.00	20.00	7.40
	(2) Deferred Tax		-5.28	-	-	-
X	<b>Profit (Loss) for the Year</b>		<b>94.53</b>	<b>28.84</b>	<b>35.09</b>	<b>9.51</b>
XI	<b>Minority Interest</b>		<b>-0.17</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Profit/(Loss) for the year after Taxes and Minority Interest</b>		<b>94.36</b>	<b>28.84</b>	<b>35.09</b>	<b>9.51</b>
XII	Earning per Equity share :	27				
	(1) Basic		1.37	0.62	0.75	0.20
	(2) Diluted		1.37	0.62	0.75	0.20

See accompanying annexures forming part of the restated financial statement

**For Kumbhat & Co.**  
Chartered Accountants  
FRN: 001609S

**For and on behalf of the Board of Directors Mono Pharmacare Limited**

Panilam S. Lakhatariya  
**Chairman & Managing Director**

Neha C. Prajapati  
**Chief Finance Officer**

**Gaurang Unadkat**  
Partner  
Membership No. : 131708  
Place:- Ahmedabad  
Date:- August 14, 2023

Krupali Thakkar  
**Company Secretary**

Archit Shah  
**Director**

**MONO PHARMACARE LIMITED**

**Annexure C: Restated Consolidated Cash Flow Statement**

Particulars	31st March, 2023	16th October, 2022	31st March, 2022	31st March, 2021
	(Rupees in Lakhs)	(Rupees in Lakhs)	(Rupees in Lakhs)	(Rupees in Lakhs)
<b>Cash flow from operating activities</b>				
<b>Profit/(loss) before tax</b>	<b>131.79</b>	<b>35.84</b>	<b>55.09</b>	<b>16.91</b>
Non-cash adjustments to reconcile profit before tax to net cash flows				
Depreciation	5.08	5.29	10.82	12.83
Finance Cost	93.09	39.16	74.21	66.17
<b>Operating profit/(loss) before working capital changes</b>	<b>229.97</b>	<b>80.29</b>	<b>140.12</b>	<b>95.91</b>
<b>Movements in working capital:</b>				
Increase/(decrease) in trade payables	0.84	358.31	209.13	98.04
Increase/(decrease) in other current liabilities	66.32	38.63	(1.79)	3.85
Increase/(decrease) in short term provision	34.29	1.02	2.20	2.28
Decrease/(increase) in Other Non-current Assets	0.00	-	-	-
Decrease/(increase) in Inventories	-2659.52	(137.72)	(57.32)	(118.68)
Decrease/(increase) in trade receivables	-1228.67	(406.27)	(17.44)	(202.42)
Decrease/(increase) in short-term loans and advances	-325.71	150.12	(246.36)	14.52
Decrease/(increase) in other Current Assets	-71.46	(5.51)	3.02	31.19
<b>Cash generated from Operations</b>	<b>-3953.94</b>	<b>78.86</b>	<b>31.55</b>	<b>(75.33)</b>
Less: Direct taxes paid	0.00	(19.91)	(7.58)	(3.03)
<b>Net Cash from Operating Activities (A)</b>	<b>-3953.94</b>	<b>58.94</b>	<b>23.97</b>	<b>(78.36)</b>
<b>Cash flows from investing activities</b>				
Sale/(Purchase) of Fixed Assets	-56.89	(6.44)	(1.40)	(6.40)
Investment in Fixed Deposit	-57.34	-	-	-
Investment in Deposit	-1.45	-	-	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-115.68</b>	<b>(6.44)</b>	<b>(1.40)</b>	<b>(6.40)</b>
<b>Cash flow from financing activities</b>				
Acceptance / (Repayment) of Long Term Loan	1362.42	18.66	52.82	34.48
Acceptance / (Repayment) of Short Term Loan	1959.43	8.25	(16.92)	(59.92)
Proceeds From Issue of Share	844.37	-	-	-
Proceeds / (Repayment) - Partner's Capital	0.00	(26.58)	22.90	158.16
Minority Interest	0.11	-	-	-
Finance Cost	-93.09	(39.16)	(74.21)	(66.17)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>4073.25</b>	<b>(38.82)</b>	<b>(15.41)</b>	<b>66.55</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3.63	13.68	7.15	(18.21)
Cash and cash equivalents at the beginning of the year	38.15	24.47	17.32	35.53
Cash and cash equivalents at the end of the year	41.77	38.15	24.47	17.32
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3.63</b>	<b>13.68</b>	<b>7.15</b>	<b>(18.21)</b>

See accompanying annexures forming part of the restated financial statement

**For Kumbhat & Co.**  
Chartered Accountants  
FRN: 001609S

**Panilam S. Lakhatariya**  
Chairman & Managing Director

**Neha C. Prajapati**  
Chief Finance Officer

**Gaurang Unadkat**  
Partner  
Membership No. : 131708  
Place:- Ahmedabad  
Date:- August 14, 2023

Krupali Thakkar  
Company Secretary

Archit Shah  
Director

## MONO PHARMACARE LIMITED

### Annexure – D: Significant Accounting policies to the Restated Financial Statements

#### **Annexure 1.1: Corporate Information:**

The Company was originally formed at Partnership Firm in the name and style of **M/s. Mono Chemist**. The firm was converted from Partnership firm into Limited Company with the name of **Mono Pharmacare Limited** with effect from 17<sup>th</sup> October, 2022 vide CIN U24304GJ2022PLC136193. The Company is engaged in the business of distribution of Pharmaceutical items.

#### **Place of business:**

The place of business of the Company is at 1A, Krinkal Apartment Opp. Mahalaxmi Temple, Paldi Ahmedabad Gujarat 380007.

#### **Annexure 1.2: Significant Accounting Policies:**

The significant accounting policies followed by the company are stated as below:

##### **a) Basis of accounting and preparation of consolidated financial statements:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis and in accordance with Accounting Standards prescribed under section 133 of the companies Act, 2013.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year. In the opinion of the Management, based on the analysis of the significant transactions at subsidiary, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.

##### **Subsidiaries**

<b>Sr. No.</b>	<b>Name of the Firm</b>	<b>Percentage of holding</b>
1	Ahmedabad Medical Corporation	99.00%
2	Super Distributors LLP	99.00%

##### **b) Principles of consolidation**

1. The Financial statements of the company and its Subsidiary firm combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating material intragroup balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21 (AS21) "Consolidated Financial Statements".
2. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of the subsidiary firm when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's separate financial statements.

3. The difference between the cost of investment in the subsidiary firm over the net assets at the time of acquisition of shares in the joint ventures is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

c) The Company has prepared the financial statements to comply in all material respects with the accounting standards specified as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India. The financial statements have been prepared under the historical cost convention and on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those adopted in the preparation of financial statement for the financial period/years ended on March 31, 2023, October 16, 2022, March 31, 2022 and March, 31, 2021.

**d) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

**e) Property, Plant and Equipment and Depreciation**

Fixed assets are stated at Cost less Depreciation. Cost comprises of Purchase price and any attributable cost of bringing the assets to working condition for its intended use.

Depreciation on all assets is charged proportionately from the date of acquisition / installation on written down value basis at rates prescribed in Schedule III of the Companies Act, 2013.

**f) Impairment of Assets:-**

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

**g) Investments**

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

**h) Revenue recognition:**

Revenue from sales of such distribution of Pharmaceutical items is recognized when significant risks and rewards of ownership have been transferred to the buyer which is normally on delivery of goods and when there is reasonable certainty and reliability of ultimate realization.

**i) Inventories**

Inventories are valued at the lower of Cost (Generally determined on FIFO Basis) and Net Realizable Value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

**j) Employee Benefits**

**Defined Contribution Plan**

The Company has Defined Contribution Plan for post employment benefits for all employees in the form of Provident and Employee State Insurance Fund administered by Regional Provident Fund Commissioner. The employee and employer each make monthly Contribution to the plan of the covered employee's salary. The Company's contributions to Defined Contribution Plan are charged to the Profit and Loss Account as and when incurred.

The Company has applied for Provident fund and ESIC registration number only after conversion from Partnership firm into Company and provided the PF liability in the books accordingly in the books after conversion only.

No Provision for PF has been made in the earlier years before conversion of Partnership firm into Company due to non applicability of Act.

**Defined Benefit Plan**

**Compensated Absences:**

The Company does not allow any accumulation of leave and hence no provision has been made for leave encashment as on the year/period end.

Contribution to gratuity fund is defined benefit obligation and is provided for on basis of Fifteen days divided by Twenty Six days multiplied by number of years of services completed by the employees. Company has not obtained Actuarial valuation certificate for valuation of Gratuity liability.

**k) Foreign Currency Transactions**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign Currency denominated assets and liabilities at the balance sheet date is translated at the exchange rate prevailing on the date of balance sheet.

**l) Earnings Per Share**

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

The Company has been formed on conversion of partnership firm into Company with paid up Equity Share capital of Rs. 10,00,000 divided into 1,00,000 Equity Shares of Rs. 10 each. The shares pending allotment against the Partners Capital outstanding as on the conversion date and Bonus shares issued by the Company has been considered while calculating Basic and Diluted EPS.

Further, EPS and NAV per share for all the reporting years and period have been calculated by considering the above number of shares outstanding post conversion of partnership firm into Company.

**m) Accounting For Taxes On Income**

Tax expense comprises of current and deferred tax. Provision for current tax is made, based on the tax payable under the Income-tax Act, 1961. Deferred tax assets and liabilities from timing differences between taxable income and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.

**n) Borrowing Cost:**

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets.

Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

**o) Current & Non Current Classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set-out in the Act. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

**p) Provisions, Contingent Liabilities And Contingent Assets**

The Company recognizes as provisions, the liabilities being present obligation arising out of past events, the settlement of which is expected to result in an outflow of resources which can be measure only by using a substantial degree of estimation.

Contingent liabilities are disclosed by way of notes to the financial statements after careful evaluation by the management of the facts and the legal aspects of the matter involved.

Contingent assets are neither recognized nor disclosed.

**q) Cash Flow Statement**

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances and Fixed Deposit with the banks which are short term.

**MONO PHARMACARE LIMITED**

**Notes to the Restated Financial Information**

(Rs. in lakhs)

Particulars	As at 31st March, 2023	As at 16th Oct., 2022	As at 31st March, 2022	As at 31st March, 2021
<b>ANNEXURE 2: RESTATED STATEMENT OF SHARE CAPITAL</b>				
<b>Authorised Share Capital</b> 2,00,00,000 Equity Shares of Rs. 10/- each.	2000.00		-	-
<b>Issued Subscribed and paid up Share Capital</b> 12,368,564 Equity Shares of Rs. 10/- each. Partners' Capital Account	1236.86 0.00	429.83	427.57	369.58
	<b>1236.86</b>	<b>430</b>	<b>428</b>	<b>370</b>
<b>ANNEXURE 2.1: Reconciliation of No. of shares Outstanding at the beginning &amp; at the end of the reporting period</b>				
	<b>As at 31st March, 2023</b>			
	<b>No.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
At the beginning of the period	-	-		
Add: Equity Shares issued during the period	44,13,650.00	441.37		
Add: Preference Shares issued during the period	50,81,699.00	508.17		
Add: Rights Shares issued during the period	23,45,695.00	234.57		
Add: Bonus Shares issued during the period	5,27,520.00	52.75		
<b>Outstanding at the end of the year</b>	<b>1,23,68,564.00</b>	<b>1236.86</b>	-	-
<b>ANNEXURE 2.2: The details of shareholders holding of more than 5% of the aggregate shares of the Company</b>				
	<b>As at 31st March, 2023</b>			
<b>Name of the Shareholders</b>	<b>No. of Shares held</b>	<b>%</b>	<b>No. of Shares held</b>	<b>%</b>
Panilam Shivilal Lakhatariya	80,26,761	64.90%	-	-
Supal Panilam Lakhatariya	19,93,458	16.12%	-	-
Others	23,48,345	18.99%	-	-
<b>Total</b>	<b>1,23,68,564</b>	<b>100.00%</b>	-	-
<b>Terms/Rights to Equity Shares</b>				
(a) The company has only one class of shares i.e. Equity Share				
(b) All equity shares rank pari-pasu and carry equal right respect to voting and dividend. In the event of liquidation of the company the equity shares holder shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.				
(c) Out of the above, 99,22,869 equity Shares of Face Value Rs. 10/- each were issued for consideration other than cash.				
<b>ANNEXURE 3: RESTATED STATEMENT OF RESERVES &amp; SURPLUS</b>				
	<b>As at 31st March, 2023</b>		<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
From Shares Issued During the Year	101.63			
Less: Bonus Shares Issued During the Year	-52.75			
<b>Security premium</b>	<b>48.88</b>			
<b>Profit and Loss Account</b>				
Opening balance as on 17.10.2022	429.83			
Less : Shares pending allotment against partners' Capital	-10.00			
Less : Shares pending allotment against partners' Capital	-431.37			
Add : Profit during the period in MPL from 17.10.2022 to 31.03.2023	94.36			
<b>Balance at the end of the year</b>	<b>82.83</b>			
	<b>131.71</b>	-	-	-
<b>ANNEXURE 4: RESTATED STATEMENT OF LONG-TERM BORROWINGS</b>				
<b>Secured Loan</b>				
Working Capital Demand Loan				
(a) From Banks	281.76	138.83	89.42	59.43
<b>Total</b>	<b>281.76</b>	<b>138.83</b>	<b>89.42</b>	<b>59.43</b>

**MONO PHARMACARE LIMITED**

**Notes to the Restated Financial Information**

(Rs. in lakhs)

Particulars	As at 31st March, 2023	As at 16th Oct., 2022	As at 31st March, 2022	As at 31st March, 2021
<p>Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. B 703 and 704, and C- 603, Shyam Elegance, Anandnagar Cross Road, Vastrapur Railway Station Road, Jodhpur, Ahmedabad Pin 380015 owned Mrs. Supal Panilam Lakhtariya and Pledging of TDR in the name of Mr. Panilam Lakhtariya of Rs. 30.00 lacs</p> <p>Deutsche Bank: Secured against the Mortgage against the Residential Banglow no 8, Ravji Emerald co. op. soc., Opp. Bopal Police Chowki, Gala Gymkhana Road, Bhopal, Ahmedabad Pin 380015 owned Mr. Panilam Lakhtariya</p> <p>(The above includes loan taken from Bank of India and Deutsche Bank having interest rate on such loans are 8.75% and 7.10%, and those are repayable between period of 2-3 years and 15 Years respectively. The above loan is classified as Current and Non-current based on the original tenure of the loan.</p> <p>Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. C-2 Ground Floor Sagar Samraast Apartment Ellisbridge, E-701,702,703,704 7th Floor, F-601, and F-603 Tejendra Crystal, Shiv Shanti Society, Nr. Vastral Cross Road, S P Ring Road, Vastral, Ahmedabad-382418 owned Mrs. Supal Panilam Lakhtariya</p> <p>A/204 on 2nd floor,Block A, ad measuring about 825.00 sq ft. (Super built up area)together with Common undivided right in the common amenities andwill all the right as shareholder in the commercial scheme known as“Tulip Corpos” of “Utility Center shops and offices ownersAssociation &amp; Vyapar Bhawan Viaks Mandal” above Pakwan DiningHall Opp. V.S. Hospital Ashram Road, Ellise Bridge, Ahmedabad –380006,flat no B/103, B/104 (2BHK) admeasuring about 67.95 sq mtrs (built up area) on first floor of blockno “B” together with undivided share in the land ad measuring about25.24 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahlnadnagar, Satellite, Ahmedabad 380015, flat no F/703 (2BHK) admeasuring about 59.47 sq mtrs (built up area) on first floor of blockno “F” together with undivided share in the land ad measuring about22.10 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahlnadnagar, Satellite, Ahmedabad - 380015, Flat no 1/301 (2BHK) admeasuring about 115.00 sq yds. i.e. 96.15 sq. mt. (Super built uparea) on 3rd floor of Block No “I” of sector 7, Sun City, together withundivided share in the land ad measuring about 24.00 sq. mt. in thescheme of (Sun city, sector 7, flat owner association);New kalindiKarnavati Co. Op Housing Society Ltd.; Scheme known as “SunCity” Sardar patel Ring Road, Bopal, Ahmedabad – 380058,</p> <p>(The above includes loan taken from Bank of India and Deutsche Bank having interest rate on such loans are 8.75% and 7.10%, and those are repayable between period of 2-3 years and 15 Years respectively. The above loan is classified as Current and Non-current based on the original tenure of the loan.</p>				
<b>Unsecured Loan :</b>				
<b>Working Capital Demand Loan</b>				
(a) From Banks	13.32	20.04	32.53	-
(b) From Financial Institution	3.21	6.24	24.50	34.20
From Directors & Related Parties	1234.17	4.92	4.92	4.92
	<b>1532.46</b>	<b>170.04</b>	<b>151.37</b>	<b>98.56</b>
<p>(Unsecured Loan is taken from various Banks and Financial Institution and interest rate is between 18% to 20% which is repayable between period of 3 years to 15 years and the same has been classified as Current and Non-current based on the original tenure of the loan)</p>				

**MONO PHARMACARE LIMITED**  
**Notes to the Restated Financial Information**

(Rs. in lakhs)

Particulars	As at 31st March, 2023	As at 16th Oct., 2022	As at 31st March 2022	As at 31st March 2021
<b><u>ANNEXURE 5 :- RESTATED STATEMENT OF SHORT TERM BORROWINGS</u></b>				
<b><u>Secured Loan</u></b>				
<b><u>From Banks</u></b>				
(a) Cash Credit	2088.04	393.49	404.19	396.71
Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. B 703 and 704, and C- 603, Shyam Elegance, Anandnagar Cross Road, Vastrapur Railway Station Road, Jodhpur, Ahmedabad Pin 380015 owned Mrs. Supal Panilam Lakhtariya and Pledging of TDR in the name of Mr. Panilam Lakhatariya of Rs. 30.00 lacs				
Cosmos Bank: Hypothecation Charge on all current assets of firm and Mortgage of Immovable Property Residential flat No. C 701 and 702, Shyam Elegance, Mouje: Vejalpur, Ahmedabad and Secured against the Residential flat 403-B, Palmera, Vadsar, Vododara owned by Mr. Panilam Shivilal Lakhatariya.				
Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. C-2 Ground Floor Sagar Samrast Apartment Ellisbridge, E-701,702,703,704 7th Floor, F-601,and F-603 Tejendra Crystal, Shiv Shanti Society				
A/204 on 2nd floor,Block A, ad measuring about 825.00 sq ft. (Super built up area)together with Common undivided right in the common amenities andwill all the right as shareholder in the commercial scheme known as“Tulip Corpos” of “Utility Center shops an				
(b) Working Capital Demand Loan	38.45	17.93	15.17	-
Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. B 703 and 704, and C- 603, Shyam Elegance, Anandnagar Cross Road, Vastrapur Railway Station Road, Jodhpur, Ahmedabad Pin 380015 owned Mrs. Supal Panilam Lakhtariya and Pledging of TDR in the name of Mr. Panilam Lakhatariya of Rs. 30.00 lacs				
Deutsche Bank: Secured against the Mortgage against the Residential Banglow no 8, Ravji Emerald co. op. soc., Opp. Bopal Police Chowki, Gala Gymkhana Road, Bhopal, Ahmedabad Pin 380015 owned Mr. Panilam Lakhtariya				
(The above includes loan taken from Bank of India and Deutsche Bank having interest rate on such loans are 8.75% and 7.10%, and those are repayable between period of 2-3 years and 15 Years respectively. The above loan is classified as Current and Non-current based on the original tenure of the loan.				
A/204 on 2nd floor,Block A, ad measuring about 825.00 sq ft. (Super built up area)together with Common undivided right in the common amenities andwill all the right as shareholder in the commercial scheme known as“Tulip Corpos” of “Utility Center shops and offices ownersAssociation & Vyapar Bhawan Viaks Mandal” above Pakwan DiningHall Opp. V.S. Hospital Ashram Road, Ellise Bridge, Ahmedabad -380006,flat no B/103, B/104 (2BHK) admeasuring about 67.95 sq mtrs (built up area) on first floor of blockno “B” together with undivided share in the land ad measuring about25.24 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahladnagar, Satellite, Ahmedabad 380015, flat no F/703 (2BHK) admeasuring about 59.47 sq mtrs (built up area) on first floor of blockno “F” together with undivided share in the land ad measuring about22.10 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahladnagar, Satellite, Ahmedabad - 380015, Flat no 1/301 (2BHK) admeasuring about 115.00 sq yds. i.e. 96.15 sq. mt. (Super built up area) on 3rd floor of Block No “T” of sector 7, Sun City, together withundivided share in the land ad measuring about 24.00 sq. mt. in thescheme of (Sun city, sector 7, flat owner association)(New kalindiKarnavati Co. Op Housing Society Ltd.) Scheme known as “SunCity” Sardar patel Ring Road, Bopal, Ahmedabad - 380058,				
<b><u>UnSecured Loan</u></b>				
<b><u>Working Capital Demand Loan</u></b>				
<b><u>From Banks</u></b>				
	59.10	30.99	26.15	7.09
Bank of India: Secured against the hypothecation of Stock and Book Debts and Mortgage against the Residential flat No. B 703 and 704, and C- 603, Shyam Elegance, Anandnagar Cross Road, Vastrapur Railway Station Road, Jodhpur, Ahmedabad Pin 380015 owned Mrs. Supal Panilam Lakhtariya and Pledging of TDR in the name of Mr. Panilam Lakhatariya of Rs. 30.00 lacs				
Deutsche Bank: Secured against the Mortgage against the Residential Banglow no 8, Ravji Emerald co. op. soc., Opp. Bopal Police Chowki, Gala Gymkhana Road, Bhopal, Ahmedabad Pin 380015 owned Mr. Panilam Lakhtariya				
(The above includes loan taken from Bank of India and Deutsche Bank having interest rate on such loans are 8.75% and 7.10%, and those are repayable between period of 2-3 years and 15 Years respectively. The above loan is classified as Current and Non-current based on the original tenure of the loan.				
A/204 on 2nd floor,Block A, ad measuring about 825.00 sq ft. (Super built up area)together with Common undivided right in the common amenities andwill all the right as shareholder in the commercial scheme known as“Tulip Corpos” of “Utility Center shops and offices ownersAssociation & Vyapar Bhawan Viaks Mandal” above Pakwan DiningHall Opp. V.S. Hospital Ashram Road, Ellise Bridge, Ahmedabad -380006,flat no B/103, B/104 (2BHK) admeasuring about 67.95 sq mtrs (built up area) on first floor of blockno “B” together with undivided share in the land ad measuring about25.24 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahladnagar, Satellite, Ahmedabad 380015, flat no F/703 (2BHK) admeasuring about 59.47 sq mtrs (built up area) on first floor of blockno “F” together with undivided share in the land ad measuring about22.10 sq mtrs in the scheme known as “Shyam Elegance” AnandNagar Road, Near Gopi Dining Hall, B/H Sukirti Apartment, Prahladnagar, Satellite, Ahmedabad - 380015, Flat no 1/301 (2BHK) admeasuring about 115.00 sq yds. i.e. 96.15 sq. mt. (Super built up area) on 3rd floor of Block No “T” of sector 7, Sun City, together withundivided share in the land ad measuring about 24.00 sq. mt. in thescheme of (Sun city, sector 7, flat owner association)(New kalindiKarnavati Co. Op Housing Society Ltd.) Scheme known as “SunCity” Sardar patel Ring Road, Bopal, Ahmedabad - 380058,				

**MONO PHARMACARE LIMITED**  
**Notes to the Restated Financial Information**

(Rs. in lakhs)

Particulars	As at 31st March, 2023	As at 16th Oct., 2022	As at 31st March 2022	As at 31st March 2021	
From Financial Institution	63.15	29.78	47.04	55.68	
From Others	211.50	28.62	-	50.00	
(Unsecured Loan is taken from various Banks and Financial Institution and interest rate is between 18% to 20% which is repayable between period of 3 years to 15 years and the same has been classified as Current and Non-current based on the original tenure of the loan)					
	<b>2460.24</b>	<b>500.81</b>	<b>492.56</b>	<b>509.47</b>	
<b>ANNEXURE 6 :- RESTATED STATEMENT OF TRADE PAYABLES</b>					
<b>For goods and Services</b>					
Dues to MSME	414.94	14.97	294.09	-	
Other Payables	278.80	677.93	40.26	125.46	
<b>Total</b>	<b>693.74</b>	<b>692.90</b>	<b>334.34</b>	<b>125.46</b>	
<b>Trade Payables ageing schedule as at 31st March 2023</b>					
Particulars	Less Than 1 Years	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	360.77		54.17	-	414.94
Others	278.80	0.25	-	-	278.80
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Trade Payables ageing schedule as at 16th October 2022</b>					
Particulars	Less Than 1 Years	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	14.97	-	-	-	14.97
Others	677.93	-	-	-	677.93
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Trade Payables ageing schedule as at 31st March 2022</b>					
Particulars	Less Than 1 Years	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	294.09		-	-	294.09
Others	40.26	0.25	0.25	-	40.76
Disputed dues- MSME	0.00	-	-	-	-
Disputed dues- Others	0.00	-	-	-	-
<b>Trade Payables ageing schedule as at 31st March 2021</b>					
Particulars	Less Than 1 Years	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	0.00	-	-	-	-
Others	125.46	-	-	-	125.46
Disputed dues- MSME	0.00	-	-	-	-
Disputed dues- Others	0.00	-	-	-	-
<b>ANNEXURE 7 :- RESTATED STATEMENT OF OTHER CURRENT LIABILITIES</b>					
<b>Other Current Liabilities</b>					
Advance Received From Customer	74.31	42.42	2.84	-	
Provisional For Expenses	0.00	-	-	0.08	
Audit fees Payable	0.00	0.25	0.25	-	
Salary Payable	16.84	-	2.50	3.13	
Professional Fess Payable	0.00	0.49	-	0.36	
Other Expenses payable	0.67	1.05	-	-	
Statutory dues Payable	18.95	0.25	0.23	4.04	
	<b>110.77</b>	<b>44.45</b>	<b>5.82</b>	<b>7.61</b>	
<b>ANNEXURE 8 :- RESTATED STATEMENT OF SHORT TERM PROVISIONS</b>					
Provision for Gratuity	2.63	1.18	0.95	0.62	
Provision for PF & ESIC	0.00	6.63	5.84	3.97	
Provision for Tax (Net off)	88.70	6.69	19.60	7.19	
<b>Total</b>	<b>91.33</b>	<b>14.50</b>	<b>26.40</b>	<b>11.78</b>	

**MONO PHARMACARE LIMITED**

**Consolidated Notes On Financial Statements For The Year Ended 31st March, 2023  
ANNEXURE: 9 STATEMENT OF PROPERTY, PLANT AND EQUIPMENT**

**As at 16th Oct., 2022**

ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01-04-2022	Addition	Deduction	As at 16-10-2022	Opening Depreciation	Reversal/Adjustments	For the Period	Total	As at 16-10-2022	As at 31-03-2022
FURNITURE	2.44	4.80	-	7.24	1.06	-	0.87	1.93	5.31	1.38
OFFICE EQUIPMENTS	3.83	1.64	-	5.48	1.85	-	0.68	2.52	2.95	1.99
COMPUTERS	2.30	-	-	2.30	2.01	-	0.09	2.10	0.20	0.29
VEHICLE	55.70	-	-	55.70	29.68	-	3.65	33.33	22.37	26.02
<b>TOTAL</b>	<b>64.27</b>	<b>6.44</b>	<b>-</b>	<b>70.72</b>	<b>34.60</b>	<b>-</b>	<b>5.29</b>	<b>39.89</b>	<b>30.83</b>	<b>29.68</b>

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Addition	Deduction	As at	Opening	Reversal/Adjustments	For the Period	Total	As at	As at
	17-10-2022			31-03-2023	Depreciation				31-03-2023	31-03-2023
Furniture	5.31	22.38	0.00	27.69	7.80	0.00	1.49	9.29	18.39	-
Office Equipments	2.95	10.95	0.00	13.90	1.78	0.00	1.27	3.05	10.86	-
Computers	0.20	5.87	0.00	6.07	1.70	0.00	0.67	2.37	3.70	-
Vehicle	22.37	2.03	20.15	4.25	0.02	0.00	0.64	0.66	3.59	-
Software Development	0.00	0.11	0.00	0.11	0.00	0.00	0.02	0.02	0.09	-
Office Building	0.00	47.00	0.00	47.00	0.00	0.00	0.99	0.99	46.01	-
<b>TOTAL</b>	<b>30.83</b>	<b>88.34</b>	<b>20.15</b>	<b>99.02</b>	<b>11.29</b>	<b>0.00</b>	<b>5.08</b>	<b>16.38</b>	<b>82.64</b>	<b>-</b>

FY 21-22

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Addition	Deduction	As at	Opening	Reversal/Adjustments	For the Year	Total	As at	As at
	01-04-2021			31-03-2022	Depreciation					31-03-2022
FURNITURE	2.44		-	2.44	0.58		0.48	1.06	1.38	1.86
OFFICE EQUIPMENTS	2.43	1.40	-	3.83	1.03		0.82	1.85	1.99	1.40
COMPUTERS	2.16		-	2.16	1.58		0.37	1.95	0.21	0.58
PRINTERS	0.14		-	0.14	0.00		0.06	0.06	0.07	0.13
VEHICLE	55.70		-	55.70	20.58		9.09	29.68	26.02	35.12
<b>TOTAL</b>	<b>62.87</b>	<b>1.40</b>	<b>-</b>	<b>64.27</b>	<b>23.78</b>	<b>-</b>	<b>10.82</b>	<b>34.60</b>	<b>29.68</b>	<b>39.09</b>

FY 20-21

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at	Addition	Deduction	As at	Opening	Reversal/Adjustments	For the Year	Total	As at	As at
	01-04-2020			31-03-2021	Depreciation					31-03-2021
FURNITURE	1.00	1.45	-	2.44	0.33		0.25	0.58	1.86	0.66
OFFICE EQUIPMENTS	1.16	1.27	-	2.43	0.41		0.62	1.03	1.40	0.75
COMPUTERS	1.57	0.60	-	2.16	0.88		0.70	1.58	0.58	0.68
PRINTERS	-	0.14	-	0.14	-		0.00	0.00	0.13	-
VEHICLE	52.75	2.95	-	55.70	9.33		11.25	20.58	35.12	43.42
<b>TOTAL</b>	<b>56.47</b>	<b>6.40</b>	<b>-</b>	<b>62.87</b>	<b>10.95</b>	<b>-</b>	<b>12.83</b>	<b>23.78</b>	<b>39.09</b>	<b>45.52</b>

**MONO PHARMACARE LIMITED**  
**NOTES TO THE RESTATED FINANCIAL INFORMATION**

(Rs. in lakhs)

	As at 31st March 2023	As at 16th Oct., 2022	As at 31st March 2022	As at 31st March 2021
<b>ANNEXURE 10 :- RESTATED STATEMENT OF DEFERRED TAX ASSET/LIABILITIES</b>				
<b>Deferred Tax Assets</b>				
on account of Depreciation on Fixed Assets	0.37	-	-	-
on account of Provision for Gratuity	0.66	-	-	-
on account of Section 35D	4.25	-	-	-
	<b>5.28</b>	-	-	-
<b>ANNEXURE 10 :- NON-CURRENT INVESTMENTS</b>				
Fixed Deposit- Bank Of India	57.34	-	-	-
	<b>57.34</b>	-	-	-
<b>ANNEXURE 11 :- STATEMENT OF DEFERRED TAX ASSET/LIABILITIES</b>				
<b>Deferred Tax Assets</b>				
on account of Depreciation on Fixed Assets	0.37	-	-	-
on account of Provision for Gratuity	0.66	-	-	-
on account of Other expense	4.25	-	-	-
	<b>5.28</b>	-	-	-
<b>ANNEXURE 12 :- Long-term loans and advances</b>				
Security Deposits	1.45	-	-	-
	<b>1.45</b>	-	-	-
<b>ANNEXURE 11 :- RESTATED STATEMENT OF INVENTORIES</b>				
Stock in trade	3268.61	609.09	471.37	414.05
	<b>3268.61</b>	<b>609.09</b>	<b>471.37</b>	<b>414.05</b>
<b>ANNEXURE 12 :- RESTATED STATEMENT OF TRADE RECEIVABLES</b>				
<b>Unsecured, Considered Good</b>				
Over six months from the due date	1123.45	152.56	3.75	0.65
Others	1063.60	805.82	548.35	534.01
<b>Total</b>	<b>2187.05</b>	<b>958.38</b>	<b>552.10</b>	<b>534.66</b>

**Trade Receivables ageing schedule as at 31st March 2023**

Particulars	Less Than 6 months	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	1063.6	548.35	969.36	130.16	-	-	<b>2,163.12</b>
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	23.93	-	-	-	<b>23.93</b>
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 16th October 2022**

Particulars	Less than 6	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	805.82	149.63	1.20	1.02	0.71	<b>958.38</b>
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March 2022**

Particulars	Less Than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	548.35	3.75	-	-	-	<b>552.10</b>
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March 2021**

Particulars	Less Than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	534.01	0.65	-	-	-	<b>534.66</b>
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-

	As at 31st March 2023	As at 16th Oct., 2022	As at 31st March 2022	As at 31st March 2021
<b>ANNEXURE 13 :- RESTATED STATEMENT OF CASH AND CASH EQUIVALENT</b>				
Cash in Hand	19.17	18.77	5.46	0.32
Balances with Banks				
Balances in Current Accounts	8.36	0.55	0.18	-
Fixed Deposit with Bank	14.24	18.83	18.83	17.00
<b>Total</b>	<b>41.77</b>	<b>38.15</b>	<b>24.47</b>	<b>17.32</b>
<b>ANNEXURE 14 :- RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES</b>				
Security Deposits	1.73	1.25	1.27	1.25
Advance to Suppliers	204.43	-	-	-
Other advances	327.77	206.97	357.07	110.73
<b>Total</b>	<b>533.92</b>	<b>208.22</b>	<b>358.34</b>	<b>111.98</b>
<b>Annexure 15 :- Other Current Assets</b>				
IPO Expenses	1.50	-	-	-
Advances to Employees	5.24	-	-	-
Advances to Suppliers	0.00	3.41	-	-
Balance with Revenue Authorities	72.58	4.45	2.35	5.37
	0.00	-	-	-
<b>Total</b>	<b>79.32</b>	<b>7.86</b>	<b>2.35</b>	<b>5.37</b>

**MONO PHARMACARE LIMITED**

**NOTES TO THE RESTATED FINANCIAL INFORMATION**

(Rupees in Lakhs)

Particulars	For the period Oct. 17, 2022 to March. 31, 2023	For the period April 01, 2022 to Oct. 16, 2022	For the year ended 31st March 2022	For the year ended 31st March 2021
<b><u>ANNEXURE 16 :- RESTATED STATEMENT OF REVENUE FROM OPERATIONS</u></b>				
<b>Sales</b>				
- Sale of Goods	3308.70	2,538.94	3,698.30	2,826.61
<b>Total</b>	<b>3308.70</b>	<b>2,538.94</b>	<b>3,698.30</b>	<b>2,826.61</b>
<b><u>ANNEXURE 17 :- RESTATED STATEMENT OF OTHER INCOME</u></b>				
Commission Income	0.13			
Interest on Fixed deposit	0.26	-	0.93	-
Profit From Partnership firm				
Sales Cum Pramotion Income	5.64	7.61	10.88	10.94
Misc. Income	0.03	-	0.16	0.28
<b>Total</b>	<b>6.07</b>	<b>7.61</b>	<b>11.96</b>	<b>11.22</b>
<b><u>ANNEXURE 18 :- RESTATED STATEMENT OF COST OF MATERIAL CONSUMED</u></b>				
<b>Purchases</b>				
Purchase of Goods	5583.37	2,547.66	3,526.46	2,774.27
Less: Purchase return	0.00	-	-	-
<b>Total</b>	<b>5583.37</b>	<b>2,547.66</b>	<b>3,526.46</b>	<b>2,774.27</b>
<b><u>ANNEXURE 19 :- RESTATED STATEMENT OF INCREASE/(DECREASE) IN STOCK</u></b>				
Closing Stock	3268.61	609.09	471.37	414.05
Opening Stock	609.09	471.37	414.05	295.36
<b>Total</b>	<b>-2659.52</b>	<b>(137.72)</b>	<b>(57.32)</b>	<b>(118.68)</b>
<b><u>ANNEXURE 20 :- RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES</u></b>				
Salary Expenses	50.97	12.96	31.55	22.95
Director Remuneration	7.20	-	-	-
Remuneration to Partners / Directors	2.40	11.00	25.00	25.00
Staff Welfare Expenses	16.75	0.46	3.43	3.66
Gratuity	2.40	0.22	0.33	0.38
ESI	1.35	0.79	1.86	1.90
Provident fund	3.89	-	-	-
	<b>84.96</b>	<b>25.44</b>	<b>62.18</b>	<b>53.88</b>
<b><u>ANNEXURE 21 :- RESTATED STATEMENT OF FINANCE COST</u></b>				
Interest Paid	84.47	37.23	65.47	64.46
Bank Charges	7.86	0.97	3.12	1.71
Processing Fees	0.76	0.96	5.62	-

**MONO PHARMACARE LIMITED**

**NOTES TO THE RESTATED FINANCIAL INFORMATION**

(Rupees in Lakhs)

<b>Particulars</b>	<b>For the period Oct. 17, 2022 to March. 31, 2023</b>	<b>For the period April 01, 2022 to Oct. 16, 2022</b>	<b>For the year ended 31st March 2022</b>	<b>For the year ended 31st March 2021</b>
	<b>93.09</b>	39.16	74.21	66.17

**ANNEXURE 22 :- RESTATED STATEMENT OF OTHER EXPENSES**

<b>Other Expenses</b>				
Advertisement Expenses	0.00	0.08	-	0.64
Audit Fees	4.00	-	0.25	0.20
Computers Expenses	0.00	0.27	0.23	0.21
Consultancy Expenses	1.49	1.18	0.81	0.33
Conveyance Expenses	2.43	0.31	2.65	0.24
Charity Expenses	4.01	7.96	6.57	1.55
Electricity Expenses	0.95	1.48	1.31	0.94
Miscellaneous Expenses	0.00			
Rates and Taxes	24.63	0.01	0.00	0.03
Insurance Expenses	0.00	0.48	0.88	0.65
Legal Expenses	2.18	3.74	1.54	0.91
Telephone Expenses	0.46	0.28	0.19	0.26
Office Expenses	3.70	1.50	4.79	1.76
Packing Expenses	1.62	-	1.73	0.49
Postage & Courier Expenses	1.49	0.66	0.03	0.01
Professional fees	2.68			
Printing & Stationery	3.61	1.26	0.40	0.42
Rent Expenses	6.27	4.26	9.00	5.70
Repairs & Maintenance	0.31	1.84	3.86	3.10
Sales Promotion Expenses	12.14	3.95	3.22	11.71
Software Expenses	1.12	0.53	0.12	0.10
Transportation Expenses	0.50	0.77	1.22	0.68
Travelling Expenses	2.24	0.34	0.03	2.53
Interest & Penalty	0.13			
Sundry balance written off		-	-	-
	<b>75.99</b>	<b>30.90</b>	<b>38.83</b>	<b>32.45</b>

**Annexure 23 : Restated Statement of Earnings per share**

<b>Particulars</b>	<b>For the period Oct. 17, 2022 to March. 31, 2023</b>	<b>For the period April 01, 2022 to Oct. 16, 2022</b>	<b>For the year ended on 31st March 2022</b>	<b>For the year ended on 31st March 2021</b>
Restated PAT as per P&L	44.26	28.84	35.09	9.51
Weighted Average Number of Equity Shares at the end of the Year / Period	56.02	46.59	46.59	46.59
No. of equity shares at the end of the year /	100.23	42.98	42.76	36.96
<b>Net Worth</b>	<b>42.72</b>	<b>429.83</b>	<b>427.57</b>	<b>369.58</b>
Current Assets	2,590.37	1,821.69	1,408.63	1,083.37
Current Liabilities	1,168.03	1,252.66	859.36	654.33
<b>Earnings Per Share</b>				
Basic for the Year / Period	0.79	0.62	0.75	0.20
Diluted for the Year / Period	0.79	0.62	0.75	0.20
Return on Net Worth (%)	103.61%	6.71%	8.21%	2.57%
<b>Net Asset Value Per Share (Rs)</b>	<b>0.92</b>	<b>9.23</b>	<b>9.18</b>	<b>7.93</b>
<b>Current ratio</b>	<b>2.22</b>	<b>1.45</b>	<b>1.64</b>	<b>1.66</b>
Nominal value per Equity Share	10.00	10.00	10.00	10.00

**ANNEXURE 24: RESTATED STATEMENT OF RELATED PARTY TRANSACTION**

As per Accounting Standard 18, the disclosures of transactions with the related parties are as under:

**A. Directors of the Company:**

1. Panilam Shivilal Lakhatariya - Managing Director
2. Supal Panilam Lakhatariya - Director
3. Archit Shah - Executive Director
4. Mitul Sapara - Non - Executive Director
5. Chintan Trivedi - Independent director
6. Gaurang Vora - Independent director

**B. Key Management Personnel:**

1. Panilam Shivilal Lakhatariya Director
2. Supal Panilam Lakhatariya Director
3. Krupali R. Thakkar Company Secretary (w.e.f. Appointment date 26/12/2022)
4. Mrs. Neha Prajapati - Chief Financial Officer

**C. Relatives of the Director/s:**

1. Supal Panilam Lakhatariya Wife of Mr. Panilam Lakhatariya
2. Archit Shah Brother of Mrs. Supal Lakhatariya

**D. Enterprise over which Directors is having significant influence:**

1. Supal Medical & Wholesale LLP
2. Supal Pharma
3. R.B. Agencies
4. Supal Trading LLC
5. Stylemantraas Private Limited

**E. Subsidiaries Entities**

1. Ahmedabad Medical Corporation,
2. Supal Distributors LLP

The following transactions were carried out with the related parties in the ordinary course of business (except

(Rupees in Lakhs)

Particulars	Nature of Transaction	For the period ended on 31/03/2023	For the period ended on 16/10/2022	For the year ended on 31/03/2022	For the year ended on 31/03/2021
<b>A. Key Managerial Person</b>					
1. Panilam Shivilal Lakhatariya	Remuneration	5.00	5.50	12.50	12.50
	Purchase	0.00	-	-	-
	Sales	0.00	0.10	0.27	1.67
	Agreement	609.80	-	-	-
	Loan taken	693.65			
	Loan Repaid	-155.03			
2. Supal Panilam Lakhatariya	Remuneration	5.00	5.50	12.50	12.50
	Sales	0.00	580.00	0.02	0.05
	Loan taken	743.75			
	Loan Repaid	-48.19			
<b>B. Subsidiaries</b>					
3. Supal Distributors LLP	Loan Taken	77.84	-	-	-
	Loan Repaid	77.84	-	-	-
	Sales	524.89	1,005.65	276.80	107.28
	Purchase	450.86	170.62	284.38	6.40
	Investment	0.99			
	Profit From Partnership	7.49			
4. Ahmedabad Medical Corporation	Sales	114.04	-	-	-
	Purchase	238.95	12.10	-	-
	Investment In Fixed Capital	9.99			
	Investment In working Capital	167.09			
	Profit From Partnership	9.49			
<b>C. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>					
4. Panilam Shivilal Lakhatariya HUF	Loan Taken		-	-	-
	Loan Repaid	9.86	-	-	-
5. Supal Pharma	Sales	263.54	624.84	-	-
	Purchase	169.82	124.43	606.24	229.00

6. Supal Medical & Wholesale LLP	Sales	173.42	-	-	-
	Purchase	139.01	-	-	-
7. RB Agencies	Sales	8.97	-	-	-

Balance outstanding	Nature of Transaction	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
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<b>A. Key Managerial Person</b>					
1. Panilam Lakhatariya	Loan from Director	538.62	0.00	0.00	0.00

2. Supal Panilam Lakhatariya	Loan from Director	695.56	0.00	0.00	0.00
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<b>B. Subsidiaries</b>					
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3. Supal Distributors LLP	Creditor	-0.84	31.60	223.21	-
4. Ahmedabad Medical Corporation	Debtor	81.72	-	-	-

<b>C. Transactions with entities wherein Key Managerial Personnel have significant influence:</b>					
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4. Panilam Shivilal Lakhatariya HUF	Loan	0.00	4.93	4.93	4.93
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5. Supal Pharma	Creditor	-29.00	(294.09)	-	-
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6. Supal Medical & Wholesale LLP	Debtor	29.61	-	-	-
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7. RB Agencies	Creditor	-1.85	-	-	-
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ANNEXURE 25: RESTATED STATEMENT OF EARNING IN FOREIGN CURRENCY (FOB Value)		For the year ended on 31/03/2022	For the year ended on 31/03/2021	For the year ended on 31/03/2020
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ANNEXURE 26: RESTATED STATEMENT OF EXPENDITURE IN FOREIGN CURRENCY		For the year ended on 31/03/2022	For the year ended on 31/03/2021	For the year ended on 31/03/2020
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**ANNEXURE 27: MATERIAL ADJUSTMENTS AND REGROUPINGS TO RESTATED SUMMARY**

(A) Summarized below are the restatement adjustment made to the net profit of the audited financial

**ANNEXURE 27: MATERIAL ADJUSTMENTS AND REGROUPINGS TO RESTATED SUMMARY STATEMENTS**

(A) Summarized below are the restatement adjustment made to the net profit of the audited financial statement of the Company.

(Rupees in Lakhs)

Particulars	For the Financial Year / Period ended			
	For the period Oct. 17, 2022 to March. 31, 2023	For the period April 01, 2022 to Oct. 16, 2022	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Net profit after tax as per audited financial statements under AS	94.53	28.84	40.91	16.68
Add / ( Less) - Material adjustments on account of restatement:	0.00	0.00	-	-
Adjustments for items related to prior periods	0.00	0.00	-	-
Opening Profit / (Loss)	0.00	0.00	-	-
Add/(less) Provision for tax	0.00	0.00	-	-
Deferred Tax Asset on the above adjustments	0.00	0.00	-	-
Increase / (Decrease) in Revenue on account of change in accounting policy	0.00	0.00	-	-
(Increase) / Decrease in Purchase on account of change in accounting policy	0.00	0.00	-	-
Add/ (Less) : Change in depreciation rate	0.00	0.00	3.62	4.89
Add/(less) Prior Period Expenses	0.00	0.00	-	-
Reversal of Excess Income Tax provision made	0.00	0.00	-	-
Change in other expenses	0.00	0.00	-	-
- Gratuity Provision	0.00	0.00	0.33	0.38
- Provision of ESIC	0.00	0.00	1.86	1.90
Total adjustments on Statement of Profit and	0.00	0.00	<b>5.82</b>	<b>7.17</b>
<b>Restated profit(loss) after tax</b>	<b>94.53</b>	<b>28.84</b>	<b>35.09</b>	<b>9.51</b>

**ANNEXURE 28: RESTATED STATEMENT OF ACCOUNTING RATIOS**

(Rupees in Lakhs)

Particulars	For the period Oct. 17, 2022 to March. 31, 2023	For the period April 01, 2022 to Oct. 16, 2022	For the year ended March 31,	
			2022	2021
Profit attributable to equity shareholders for basic and diluted EPS (A)	94.53	28.84	35.09	9.51
Total No of equity shares at the end of the year (B)	123.69	42.98	46.59	46.59
Equivalent Weighted Avg number of Equity Shares at the end of the year (C)	68.70	46.59	46.59	46.59
<b>Earnings Per Share:</b>				
Basic (A)/(B)	1.38	0.62	0.75	0.20
Diluted (A)/(C)	1.38	0.62	0.75	0.20
<b>Return on Net worth</b>				
Net Profit/ (Loss) after tax as restated (D)	94.53	28.84	35.09	9.51
Net Worth as restated (E)	1368.57	429.83	427.57	369.58
<b>Return on Net Worth (%) (D)/(E)</b>	<b>6.91%</b>	<b>6.71%</b>	<b>8.21%</b>	<b>2.57%</b>
<b>Net Assets Value per Equity share (Rs.)</b>				
Net Worth as restated (F)	1368.57	429.83	427.57	369.58
Equivalent Weighted Avg number of Equity Shares at the end of the year	68.70	46.59	46.59	46.59
<b>Net Asset Value Per Equity Share (F)/(G)</b>	<b>19.92</b>	<b>9.23</b>	<b>9.18</b>	<b>7.93</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

**Notes**

1 The ratios have been computed as per the following formulae:

(i) Basic Earnings per share:

$$\frac{\text{Restated Net profit after tax for the year/period attributable to the Equity Shareholders of Company}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

(ii) Diluted Earnings per share:

$$\frac{\text{Restated Net profit after tax for the year / period}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

Earnings per share calculations are in accordance with AS 20 "Earnings per Share" notified under section 133 of the Companies Act, 2013.

(iii) Return on net worth (%):

$$\frac{\text{Restated Net profit after tax for the year / period attributable to the Equity Shareholders of Company}}{\text{Restated Average Net worth for the year / period}}$$

(iv) Net Assets Value per equity shares:

$$\frac{\text{Restated Net worth as at the end of the year / period}}{\text{Number of equity shares and potential equity shares outstanding during the year/period}}$$

2. Weighted average number of equity shares is the number of equity shares outstanding as the beginning of the year / period adjusted by a number of equity shares issued during year / period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period.

3. Return on Net Worth ratio ('RONW') mentioned in above note represents the aggregate of the paid up share capital, reserves &amp; surplus. RONW has not been annualised for sub periods.

**ANNEXURE 29: RESTATED STATEMENT OF TAX SHELTERS**

(Rupees in Lakhs)

Particulars	For the Year Ended March 31, 2023	For the period ended on 16th Oct. 2022	For the year ended March 31,	
			2022	2021
<b>NORMAL TAX</b>				
Income Tax Rate (%)	25.17%			
Restated Income before tax as per books (A)	94.36	35.84	55.09	16.91
Incomes considered separately			-	-
Total Incomes considered separately (B)	0.00	-	-	-
<b>Restated Profit other than income considered separately (C)=(A-B)</b>	94.36	35.84	55.09	16.91
<b>Tax Adjustment</b>	0.00		-	-
<b>Permanent Differences</b>			-	-
<b>Section 40 Disallowance</b>				
Donations	0.00			
Total Permanent Differences (D)	0.00	-	-	-
<b>Timing Differences</b>				
<b>Book Depreciation (a)</b>	5.08	5.29	10.82	12.83
<b>Income Tax Depreciation allowance (b)</b>	-2.01	(5.29)	(10.82)	(12.83)
<b>Section 37 Disallowance (c)</b>	0.13			
<b>Section 40A Disallowance (d)</b>	0.00		-	-
<b>Section 43B Disallowance (d)</b>	7.64			
<b>Section 35D Disallowance (e)</b>	0.00			
<b>Total Timing Differences (E=a-b+c+d+e)</b>	10.84	-	-	-
Income From Business or Profession (F)=(C+D+E)	105.21	35.84	55.09	16.91
<b>Taxable income from other sources (G)</b>	-		-	-
<b>Taxable Income/(Loss) (F+G)</b>	105.21	35.84	55.09	16.91
<b>Unabsorbed Losses</b>	0.00	0.00	-	-
<b>Gross Total Income</b>	105.21	35.84	55.09	16.91
<b>Deductions under chapter VI-A</b>	0.00	0.00	-	-
<b>Networth calculation</b>				
Equity	1236.86	429.83	427.57	369.58
Reserves and Surplus	131.71	-	-	-
	<b>1368.57</b>	<b>429.83</b>	<b>427.57</b>	<b>369.58</b>
<b>Average Networth calculation</b>				
Opening Networth	427.57	427.57	369.58	201.92
closing networth	1368.57	429.83	427.57	369.58
<b>Average Networth</b>	<b>684.29</b>	<b>428.70</b>	<b>398.58</b>	<b>285.75</b>

ANNEXURE 30: DISCLOSURE OF ACCOUNTING RATIOS AND REASON FOR VARIANCE							
	Particulars	Formula for Computation	Measures (in times / percentage)	For the Year Ended 31 Mar 2023	For the Year Ended 31 Mar 2022	For the Year Ended 31 Mar 2021	% Change [2022-2023]
A	Current Ratio	Current assets / Current liabilities	Times	1.82	1.64	1.48	11.08%
B	Debt Equity Ratio	Debt / Net worth	Times	2.92	1.51	1.65	93.72%
C	Debt Service Coverage Ratio	EBITDAE / (Finance costs + Principal repayment of borrowings within one year)	Times	0.10	0.25	0.17	-58.52%
D	Return on Equity	Profit after tax / Net worth	Percentage	9.00%	8.21%	2.57%	9.70%
E	Inventory Turnover Ratio	Cost of goods sold / Average inventory	Times	3.26	7.84	7.49	-58.35%
F	Trade Receivable Turnover Ratio	[Revenue from Sales of products (including excise duty) + Sales of services] / Average gross trade receivables	Times	5.35	3.40	3.26	57.14%
G	Trade Payable Turnover Ratio	Purchases / Average trade payables	Times	46.88	16.09	36.98	191.44%
H	Net Capital Turnover Ratio	Revenue from operations / working capital	Times	2.12	6.73	6.59	-68.47%
I	Net Profit Ratio	Profit after tax / Revenue from operations	Percentage	2.11%	0.95%	0.34%	122.06%
J	Return on Capital Employed (ROCE)	EBIT / Capital employed	Percentage	8.80%	22%	18%	-60.58%

Notes	
1	Debt = Non-current borrowings + Current borrowings
2	Net worth = Paid-up share capital + Reserves created out of profit+ Security premium - Accumulated losses
3	Cost of goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in
4	Purchase = Purchase of stock-in-trade + Purchase of Raw Material and packing material
5	Working Capital = Current assets - Current liabilities
6	EBIT = Earnings before Interest, tax and exceptional items
7	Capital employed = Total equity + Non-current borrowings

## OTHER FINANCIAL INFORMATION

### SUMMARY OF ACCOUNTING RATIOS

Particulars	For the period October 17, 2022 to March 31, 2023	For the period April 01, 2022 to October 16, 2022	For the year ended March 31,	
			2022	2021
Profit attributable to equity shareholders for basic and diluted EPS (A)	94.53	28.84	35.09	9.51
Total No of equity shares at the end of the year (B)	123.69	42.98	46.59	46.59
Equivalent Weighted Avg number of Equity Shares at the end of the year (C)	68.70	46.59	46.59	46.59
<b><u>Earnings Per Share:</u></b>				
Basic (A)/(B)	1.38	0.62	0.75	0.20
Diluted (A)/(C)	1.38	0.62	0.75	0.20
<b>Return on Net worth</b>				
Net Profit/ (Loss) after tax as restated (D)	94.53	28.84	35.09	9.51
Net Worth as restated (E)	1368.57	429.83	427.57	369.58
<b>Return on Net Worth (%) (D)/(E)</b>	<b>6.91%</b>	<b>6.71%</b>	<b>8.21%</b>	<b>2.57%</b>
<b>Net Assets Value per Equity share (Rs.)</b>	<b>19.92</b>	<b>9.23</b>	<b>9.18</b>	<b>7.93</b>
Net Worth as restated (F)	1368.57	429.83	427.57	369.58
Equivalent Weighted Avg number of Equity Shares at the end of the year	68.70	46.59	46.59	46.59
<b>Net Asset Value Per Equity Share (F)/(G)</b>	<b>19.92</b>	<b>9.23</b>	<b>9.18</b>	<b>7.93</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

#### Notes

1. The ratios have been computed as per the following formulae:
  - (i) Basic Earnings per share:  
Restated Net profit after tax for the year/period attributable to the Equity Shareholders of Company  
Equivalent Weighted Avg number of Equity Shares at the end of the year/period
  - (ii) Diluted Earnings per share: Restated Net profit after tax for the year / period Equivalent Weighted Avg number of Potential Equity Shares at the end of the year/period Earnings per share calculations are in accordance with AS 20 "Earnings per Share" notified under section 133 of the Companies Act, 2013.
  - (iii) Return on net worth (%): Restated Net profit after tax for the year / period attributable to the Equity Shareholders of Company Restated Average Net worth for the year / period
  - (iv) Net Assets Value per equity shares: Restated Net worth as at the end of the year / period Equivalent Weighted Avg number of Equity Shares at the end of the year/period
2. Weighted average number of equity shares is the number of equity shares outstanding as the beginning of the year / period adjusted by a number of equity shares issued during year / period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year / period.
3. Return on Net Worth ratio ('RONW') mentioned in above note represents the aggregate of the paid up share capital, reserves & surplus.  
RONW has not been annualised for sub periods.
4. The calculation of NAV did not consider the shares that are pending for allotment as part of the net worth. If these shares were included in the net worth, the NAV would have been 19.35.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2023, as derived from our Restated Financial Statements. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Financial Information – Restated Financial Statements" and "Risk Factors" on pages 179, 151 and 28, respectively.

Particulars	Pre-Issue	Post Issue*
<i>(Amount in ₹ in Lakhs)</i>		
<b>Borrowings</b>		
Long term Debt (A)	1,532.46	1,532.46
Short Term Debt (B)	2,460.24	2,460.24
<b>Total debts (C)</b>	<b>3,992.70</b>	<b>3,992.70</b>
<b>Shareholders' funds</b>		
Equity share capital	1,236.86	1766.86
Reserve and surplus - as restated	131.71	3312.06
<b>Total shareholders' funds</b>	<b>1,368.57</b>	<b>5078.92</b>
<b>Long term debt / shareholders' funds</b>	<b>1.12</b>	<b>0.30</b>
<b>Total debt / shareholders' funds</b>	<b>2.92</b>	<b>0.79</b>

*\*These amounts (as adjusted for the Issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished*

*Notes: The corresponding post Issue capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.*

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the financial year ended on March 31, 2021, March 31, 2022, and for the period ended on October 16, 2022 and March 31, 2023. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Prospectus. You should also read the section entitled “*Risk Factors*” beginning on page 28 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. The following discussion relates to our Company and, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations. Portions of the following discussion are also based on internally prepared statistical information and on other sources. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year (“Fiscal Year”) are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Mono Pharmacare Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “*Restated Financial Statements*” for Financial Year ended on March 31, 2021, March 31, 2022, and for the period ended on October 16, 2022 and March 31, 2023 included in this Prospectus beginning on page 151.

### **BUSINESS OVERVIEW**

We are engaged in the business of marketing of pharmaceutical products and also, we are distributors of various pharmaceutical companies. We work with various contract manufacturers who manufacture pharmaceutical products on our behalf based on compositions given by us and subsequently we sell those products under our brand “DLS Export”. We are also distributors to various pharmaceutical companies. As on February 28, 2023, we are dealing with (distributors and stockists) 168 pharmaceutical companies and also, we are connected with 3,036 Customers/vendors who are a mix of retail pharmacy stores as well as wholesalers. Our promoters have a combined experience of more than a decade in the pharmaceutical industry. Our Promoters have been the pillars of our Company’s growth since beginning and with their enriching experience and progressive thinking, we aim to continue to grow in the pharmaceutical industry.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR:**

To the best of our knowledge there were no circumstances have arisen since March 31, 2023 that could materially and adversely affect or are likely to affect, our operations or profitability, or the value or our ability to pay our material liabilities within the next 12 months

### **Key Performance Indicators of our Company**

Key Performance Indicators and Explanation for KPI metrics of our Company are as described under the Chapters titled “*Basis of Issue Price*” beginning on pages 79, respectively of this Prospectus.

### **KEY FACTORS AFFECTING THE RESULTS OF OPERATION:**

Our Company’s future results of operations could be affected potentially by the following factors:

1. General economic conditions in India like COVID-19, changes in laws and regulations.
2. Changes in revenue mix, including geographic mix of our revenues.
3. Changes in Fiscal, Economic or Political conditions in India.
4. Company’s inability to retain the experienced staff.

5. Increased market fragmentation.
6. Competition with existing and new entrants
7. Disruptions in the supply chain can lead to higher costs, reduced production, and lost sales.

## OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure D” beginning under Chapter titled “Financial Information” beginning on page 151 of the Prospectus.

## RESULTS OF KEY OPERATIONS

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years ended March 31, 2023, March 31, 2022, March 31, 2021 the components of which are also expressed as a percentage of total revenue for such period and financial years:

(₹ in lakhs)

Particulars	For the year ended on					
	31.03.2023	% of Total Income	31.03.2022	% of Total Income	31.03.2021	% of Total Income
Revenue from operation	5,847.64	99.77%	3,698.30	99.68%	2,826.61	99.60%
Other income	13.68	0.23%	11.96	0.32%	11.22	0.40%
<b>Total Revenue</b>	<b>5,861.32</b>	<b>100.00%</b>	<b>3,710.27</b>	<b>100.00%</b>	<b>2,837.83</b>	<b>100.00%</b>
Purchase of Traded Goods	8,131.03	138.72%	3,526.46	95.05%	2,774.27	97.76%
(Increase)/Decrease in Stock	-2,797.24	-47.72%	-57.32	-1.54%	-118.68	-4.18%
Employee Benefits Expenses	110.40	1.88%	62.18	1.68%	53.88	1.90%
Finance Cost	132.25	2.26%	74.21	2.00%	66.17	2.33%
Depreciation and Amortisation Cost	10.37	0.18%	10.82	0.29%	12.83	0.45%
Other expenses	106.89	1.82%	38.83	1.05%	32.45	1.14%
<b>Total Expenses</b>	<b>5,693.69</b>	<b>97.14%</b>	<b>3,655.18</b>	<b>98.52%</b>	<b>2,820.92</b>	<b>99.40%</b>
<b>Profit Before Tax</b>	<b>167.63</b>	<b>2.86%</b>	<b>55.09</b>	<b>1.48%</b>	<b>16.91</b>	<b>0.60%</b>
<b>EBITDA</b>	<b>310.25</b>	<b>5.29%</b>	<b>140.12</b>	<b>3.78%</b>	<b>95.91</b>	<b>3.38%</b>
Tax Expenses	44.26	0.76%	20.00	0.54%	7.40	0.26%
<b>Profit (Loss) for the Year</b>	<b>123.37</b>	<b>2.10%</b>	<b>35.09</b>	<b>0.95%</b>	<b>9.51</b>	<b>0.34%</b>

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmicare Limited

## Review of Restated Financials

**Revenue from Operations:** Revenue from operations mainly consists of distribution of pharmaceutical products(goods) through our distribution channel.

**Total Income:** Our total income comprises of revenue from operations and other income.

**Other Income:** Other income includes Interest on Fixed Deposit, Sales cum promotion Income and Miscellaneous Income.

**Total Expenses:** Company's total expenses consist of Purchase of Traded goods, change in inventories of Finished Goods, employee benefit expenses, finance costs, depreciation and amortization expenses, other expenses.

**Other Expenses:** Other expenses consist of Rates and Taxes, Legal Expenses, Rent Expenses, Repair and Maintenance, Sales and promotion Expenses and Travelling Expenses.

**Employee Benefits Expense:** Employee benefit expense includes Salaries, Partner remuneration, Staff Welfare Expenses, gratuity, contribution to provident fund and ESIC.

**Finance Cost:** Finance cost includes long-term and short-term interest expenses.

### **COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:**

#### **Income from Operations**

In the F.Y.2022-23, the Company's total revenue is ₹ 5,847.64 lakhs, which is increased by 2,149.34 lakhs i.e 58.12% in compared to F.Y. 2021-22 total Income of ₹ 3,698.30 lakhs which due to revenue from operation of FY 2022-23 is due to consolidation of Revenue of Supal Distributors LLP which was ₹ 1344.82 lakhs and Ahmedabad Medical Corporation (partnership firm) which was ₹ 870.45 lakhs into our Company.

#### **Other Income**

The Other Income increased by 14.38% to ₹ 13.68 lakhs in the Financial Year 2022-23 against that of ₹ 11.96 lakhs in Financial Year 2021-22. The increase is primarily due to increase in commission income and sales cum promotion income.

#### **Total Expenses**

The total expenses increase by ₹ 2,038.51 lakhs i.e 55.77% to ₹ 5,693.69 lakhs in the Financial Year 2022-23 against that of ₹ 3,655.18 lakhs in Financial Year 2021-22. The increase is on account of increase in purchase of traded goods, employee benefit expenses, finance cost, and other expenses.

#### **Purchase of Traded Goods**

The purchase of traded goods increases by 130.57% to ₹ 8,131.03 lakhs in the Financial Year 2022-23 against that of ₹ 3,526.46 lakhs in Financial Year 2021-22 due to consolidation of Purchase of Supal Distributors LLP which was ₹ 2142.36 lakhs and Ahmedabad Medical Corporation(partnership firm) which was ₹ 1730.92 lakhs into our Company.

#### **Employee Benefits Expenses**

The Employee benefit expenses increase by 77.55% to ₹ 110.40 lakhs in the Financial Year 2022-23 against that of ₹ 62.18 lakhs in Financial Year 2021-22. The increase in employee expenses was on account increase in salary expenses and staff welfare expenses by ₹ 32.38 lakhs and 13.78 lakhs respectively.

#### **Finance Cost**

The Finance cost increase by 78.21% to ₹ 132.25 lakhs in the Financial Year 2022-23 against that of ₹ 74.21 lakhs in Financial Year 2021-22. The increase of the Finance Charges is on account increase in

interest expenses by ₹ 19.00 lakhs, increase in bank charges by ₹ 5.71 mainly due to procurement of new loans.

### **Other Expenses**

The Other expenses increase by 175.28% to ₹ 106.89 lakhs in the Financial Year 2022-23 against that of ₹ 38.83 lakhs in Financial Year 2021-22. The other expenses increase substantially on account of increase in rates and taxes by ₹ 24.64 lakhs, increase in sales promotion expenses by ₹ 12.87 lakhs, increase in legal expenses by ₹ 4.38 lakhs and increase in charity expenses by ₹ 5.40 lakhs.

### **Depreciation and Amortisation Expenses**

The Depreciation and Amortisation expenses decrease by 4.16% to ₹ 10.37 lakhs in the Financial Year 2022-23 against that of ₹ 10.82 lakhs in Financial Year 2021-22. The decrease in depreciation was due to a lower written down value of assets.

### **EBDITA**

The EBDITA for F.Y. 2022-23 was ₹ 310.25 lakhs as compared to ₹ 140.12 Lakhs for F.Y. 2021-22. The EBDITA was 5.29% of total Revenue in FY 2022-23 as compared to 3.78% in FY 2021-22. The EBDITA increased in FY2022-23 compared to FY 2021-22 on account increase in sales of goods and reduction in ratio of operating expenses when compared with total revenue.

### **Profit after Tax (PAT)**

PAT is ₹ 123.37 Lakhs for the F.Y. 2022-23 in compared to ₹ 35.09 in F.Y. 2021-22. The PAT was 2.10% of total revenue in F.Y. 2022-23 compared to 0.95% of total revenue in F.Y. 2021-22. The profit is increased on account of increase of the revenue by 58.12% in FY 2022-23 as compared to FY 2021-22.

### **Rationale for the increase in total income and increase in PAT:**

The increase in total income and profit after tax for FY 2022-23 were primarily driven due to increase in our revenue from operations which is largely attributable procurement of new business of DLS Export (Proprietorship Firm), Supal LLP and Ahemdabad Medical Corporation (Partnership firm) and increase in volume of goods sold.

### **COMPARISON OF F.Y. 2021-22 WITH F.Y. 2020-21:**

#### **Income from Operations**

In the F.Y.2021-22, the Company's total revenue is ₹ 3698.30 lakhs, which is increased by 871.69 lakhs i.e 30.84 % in compared to F.Y. 2020-21 total Income of ₹ 2826.61 lakhs which is attributable due to increase in sales volume.

#### **Other Income**

The Other Income increased by 6.62% to ₹ 11.96 lakhs in the Financial Year 2021-22 against that of ₹ 11.22 lakhs in Financial Year 2020-21. The increase is primarily due to increase in interest income by ₹ 0.93 lakhs.

#### **Total Expenses**

The total expenses increase by ₹ 834.26 lakhs i.e 17.47% to ₹ 3655.18 lakhs in the Financial Year 2021-22 against that of ₹ 2820.92 lakhs in Financial Year 2020-21. The increase is on account of increase in purchase of traded goods, employee benefit expenses, finance cost, and other expenses.

### **Purchase of Traded Goods**

The purchase of traded goods increases by 27.11% to ₹ 3526.46 lakhs in the Financial Year 2021-22 against that of ₹ 2774.27 lakhs in Financial Year 2020-21 due to increase in volume of sales.

### **Employee Benefits Expenses**

The Employee benefit expenses increase by 15.39% to ₹ 62.18 lakhs in the Financial Year 2021-22 against that of ₹ 53.88 lakhs in Financial Year 2020-21. The increase in employee expenses was on account increase in salary expenses by ₹ 8.60 lakhs.

### **Finance Cost**

The Finance cost increase by 12.16% to ₹ 74.21 lakhs in the Financial Year 2021-22 against that of ₹ 66.17 lakhs in Financial Year 2020-21. The increase of the Finance Charges is on account increase in interest expenses by ₹ 1.01 lakhs, increase in bank charges and processing fees by ₹ 7.03 mainly due to procurement of new loans.

### **Other Expenses**

The Other expenses increase by 19.66% to ₹ 38.83 lakhs in the Financial Year 2021-22 against that of ₹ 32.45 lakhs in Financial Year 2020-21. The other expenses increase substantially on account of increase of office expenses by ₹ 3.04 lakhs, increase in rent expenses by ₹ 3.30 lakhs, increase in conveyance expenses by ₹ 2.41 lakhs and increase in charity expenses by ₹ 5.02 lakhs.

### **Depreciation and Amortisation Expenses**

The Depreciation and Amortisation expenses decrease by 15.69% to ₹ 10.82 lakhs in the Financial Year 2021-22 against that of ₹ 12.83 lakhs in Financial Year 2020-21. The decrease in depreciation was due to a lower written down value of assets.

### **EBDITA**

The EBDITA for F.Y. 2021-22 was ₹ 140.12 lakhs as compared to ₹ 95.91 Lakhs for F.Y. 2020-21. The EBDITA was 3.78% of total Revenue in FY 2021-22 as compared to 3.38% in FY 2020-21. The EBDITA increased in FY2021-22 compared to FY 2020-21 on account increase in sales of goods and reduction in ratio of operating expenses when compared with total revenue.

### **Profit after Tax (PAT)**

PAT is ₹ 35.09 Lakhs for the F.Y. 2021-22 in compared to ₹ 9.51 in F.Y. 2020-21. The PAT was 0.95% of total revenue in F.Y. 2021-22 compared to 0.34% of total revenue in F.Y. 2020-21. The profit is increased on account of increase of the revenue by 30.84% in FY 2021-22 as compared to FY 2020-21.

### **Rationale for the increase in total income and increase in PAT:**

The increase in total income and profit after tax for FY 2021-22 were primarily driven due to increase in our revenue from operations which is largely attributable procurement of new business i.e. increase in number of customers catered by the company and increase in volume of goods sold.

### **Cash Flow**

The table below summaries our cash flows from our Restated Consolidated Financial Information for the period ended December 31, 2022 and for the financial years ended on 2022, 2021, and 2020:

Particulars	For the period October 17, 2022 to March 31, 2023	For the period April 01, 2022 to October 16, 2022	FY 2022	FY 2021
Net cash (used in)/ Generated from operating activities	(3953.94)	58.94	23.97	(78.36)
Net cash (used in)/ Generated from investing activities	(115.68)	(6.44)	(1.40)	(6.40)
Net cash (used in)/ Generated from finance activities	4073.25	(38.82)	(15.41)	66.65
Net increase/ (decrease) in cash and cash equivalents	3.63	13.68	7.15	(18.21)
Cash and Cash Equivalents at the beginning of the period	38.15	24.47	17.32	35.53
Cash and Cash Equivalents at the end of period	41.77	38.15	24.47	17.32

### ***Cash Flow from Operating Activities***

For period April 01, 2022 to October 16, 2022 to net cash from operating activities was ₹ 58.94 lakhs as compared to Profit Before Tax of ₹ 35.84 lakhs and for the period October 17, 2022 to March 31, 2023 to net cash used in operating activities was ₹ (3953.94) lakhs as compared to Profit Before Tax of ₹ 131.79 lakhs. For Fiscal 2022, net cash from operating activities was at ₹ 23.97 lakhs as compared to Profit Before Tax of ₹ 55.09 lakhs while for Fiscal 2021, net cash from operating activities was at ₹ (78.36) lakhs as compared to Profit Before Tax of ₹ 16.91 lakhs.

### ***Cash Flow from Investing Activities***

For period April 01, 2022 to October 16, 2022 to net cash used investing activities was ₹ 6.44 lakhs was for purchase of fixed assets and for the period October 17, 2022 to March 31, 2023 to net cash used in investing activities was ₹ 115.68 lakhs was for Purchase of Fixed assets of ₹ 56.89 lakhs, investment in fixed deposits of ₹ 57.34 lakhs and investment in deposit of ₹ 1.45 lakhs. For fiscal 2022, net cash used in investing activities was ₹ 1.40 lakhs due to purchase of plant & equipment, while for fiscal 2021, net cash used in investing activities was ₹ 6.40 lakhs due to purchase of plant & equipment.

### ***Cash Flow from Financing Activities***

For period April 01, 2022 to October 16, 2022 to net cash used in financing activities was ₹ 38.82 lakhs was for payment of finance cost of ₹ 39.16 lakhs, repayment of partners capital of ₹ 26.58 lakhs for the and net cash inflow through acceptance of long term loan and short term loan are ₹ 18.66 lakhs and ₹8.25 lakhs respectively. For the period October 17, 2022 to March 31, 2023 to net cash from financing activities was ₹ 4073.25 lakhs was majorly due to acceptance of long term loan ,short term loan and proceeds from issue of shares are ₹ 1362.42 lakhs, ₹ 1959.43, and ₹ 844.37 lakhs respectively. For fiscal 2022, net cash from financing activities was ₹ (15.41) lakhs due to increase in long term borrowings, and short term loan and proceed from partners capital while for fiscal 2021, net cash from financing activities was ₹ 66.55 lakhs due to increase in long term and short term borrowings.

### **Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

#### **1. Unusual or infrequent events or transactions**

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three years other than shut down of business due to COVID-19.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in ‘Factors Affecting our Results of Operations’ and the uncertainties described in the section entitled “*Risk Factors*” beginning on page 28 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Income and Sales on account of major product/main activities**

Income and sales of our Company on account of major activities derives marketing of pharmaceutical products and distribution of the pharmaceutical products.

**4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under Section titled “*Risk Factors*” beginning on page 28 in this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in revenues are by and large linked to increases in volume of business.

**7. Total turnover of each major industry services in which the issuer company operated.**

The Company is in the business of, the relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 94 of this Prospectus.

**8. Status of any publicly announced new products or business services.**

Our Company has not announced any new services or business services.

**9. The extent to which business is seasonal.**

Our Company’s business is not seasonal.

**10. Any significant dependence on a single or few suppliers or customers.**

Our Company is not dependent on any single or few suppliers or customers.

**11. Competitive conditions.**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages 94 and 103, respectively of this Prospectus

## FINANCIAL INDEBTEDNESS

Our Company avails certain credit facilities in the ordinary course of business to meet our working capital requirements and for general corporate purposes. As of March 31, 2023, our outstanding borrowings aggregated to ₹ 3,992.70 lakhs.

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2023 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in Lakhs)					
Category of borrowing	Interest/Commission(in % p.a)	Sanctioned Amount (in Lakhs)	(in	Outstanding amount as on March 31, 2023	Tenure(Months)
<b>Secured(A)</b>					
<b>Working Capital Loan</b>					
Bank Of India Cc Loan	10.75%	550.00		539.41	Repayable on Demand
The Cosmos Co-Op. Bank Ltd Cc Loan	8.75%	300.00		299.87	Repayable on Demand
Bank Of India Gecl-1	9.40%	65.00		65.00	19
Bank Of India Gecl-2	9.40%	27.37		21.85	36
Bank Of India Cc Loan	9.00%	650.00		631.05	Repayable on Demand
Bank Of India Gecl-1	9.00%	134.00		133.12	36
Cc Loan A/C	11.00%	425.00		417.78	Repayable on Demand
Gecl-1	10.23%	20.00		12.25	36
Gecl-2	9.00%	12.25		9.68	60
Deutsche Bank	MBOR + 3.2%	200.00		199.93	Repayable on Demand
<b>Term Loan</b>		0.00		0.00	
Deutsche Bank	7.10%	64.00		62.23	180
Karnataka Bank Term Loan A/C	10.36%	24.50		16.09	43
<b>Total (A)</b>		<b>2472.12</b>		<b>2408.26</b>	
<b>Unsecured(B)</b>					
<b>Business Loan</b>					
Bank Loan				72.42	Repayable on demand
Financial Institution				66.36	Repayable on demand
Others				211.50	Repayable on demand
Promoter Loan				1233.17	Repayable on demand
Loan from director and their relatives				1.00	Repayable on demand
<b>Total (B)</b>				<b>1584.45</b>	

*\*As certified by Kumbhat & Co., Chartered Accountants, pursuant to their certificate dated August 21, 2023.*

*Notes: In the absence of specific sanction limits, outstanding amount of borrowing (including interest payable) has been considered as sanction amount.*

**Principal terms of the borrowings availed by our Company:**

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company in relation to our indebtedness:

1. **Interest:** In terms of the facilities sanctioned to us, the interest rate shall be agreed with the lender at the time of disbursement. For secured loans, it ranges between 7.10% – 10.75%. Additionally, the interest rate for unsecured loans availed ranges between 11.26% to 20%.
2. **Tenor:** The tenor of the term loan loans availed by our Company typically ranges from 19 months to 180 months, secured working capital loans and unsecured promoter loans are repayable on demand.
3. **Security:** In terms of the borrowings availed by our Company where security needs to be created, security is created by registered mortgage of on following Immovable Property as mentioned below:
  - a) The immovable property bearing Unit/ Flat No. C/701 admeasuring about 58.01 Sq. Mtrs. (Built-Up) situated on Seventh Floor of Block No."C" Shyam Elegance Scheme, togethewith undivided share admeasuring about 21.55 Sq. Mtrs. in the land of the scheme admeasuring about 4365 Sq. Mtrs. (Residential Use : 3863 Sq. Mtrs. + Commercial Use : 502 Sq. Mtrs.) belonging to Panilam Lakhatariya (Promoter).
  - b) The immovable property bearing Unit/ Flat No. C/702 admeasuring about 58.78 Sq. Mtrs. (Built-Up) situated on Seventh Floor of Block No. "C" of Shyam Elegance Scheme, togethewith undivided share admeasuring about 21.84 Sq. Mtrs. in the land of the scheme admeasuring about 4365 Sq. Mtrs. (Residential Use : 3863 Sq. Mtrs. + Commercial Use : 502 Sq. Mtrs.) belonging to Panilam Lakhatariya.
  - c) Residential Property having situated at PALMERA Tower-B, Fourth Floor, Flat No.B- 403 admeasuring 130.06 Sq. Mtrs. having All that piece and parcel of non agriculture plot of land in mauje: vadsar, Vadodara lying being land bearing R.S. No. 193 admeasuring 7891 Sq. Mtrs. owned by Panilam Lakhatariya.
  - d) Bank charge will be created by way of lien & set - off over the Recurring Deposit worth Rs.26.00 Lakh (2.00 lakh per month for 13 month) to be lien in favour of the bank, till the loan tenure). RD Declaration will be taken on record by branch, Security holder shall be either Applicant firm or guarantor.
  - e) EQM of Residential Flat No B-703, 7<sup>th</sup> Floor, Shyam elegance, Nr Abhilasha Complex, Anandnagar cross road, Vastrapur Railways Station Road, Ahemdabad. Owned by Mrs. Supal Panilam Lakhatariya.
  - f) EQM of Residential Flat No B-704, 7<sup>th</sup> Floor, Shyam elegance, Nr Abhilasha Complex, Anandnagar cross road, Vastrapur Railways Station Road, Ahemdabad. Owned by Mrs. Supal Panilam Lakhatariya.
  - g) EQM of Residential Flat No C-603, 6<sup>th</sup> Floor, Shyam elegance, Nr Abhilasha Complex, Anandnagar cross road, Vastrapur Railways Station Road, Ahemdabad. Owned by Panilam Lakhatariya
  - h) EQM of Residential Flats No. C/2 Ground Floor, Sagar Samrat Apartment, Deepmala Co-op Housing Society Ltd , Ahemdabad. Owned by Mrs. Supal P. Lakhatariya(partner) Carpet Area each one is 110 Sq yards
  - i) EQM of Two Residential Flats No. F-601 and F-603,6th Floor, Tejandra Crystal, Shiv Shanti Society, Nr Vastral Cross Road Vastral , Ahemdabad. Owned BY Mrs. Supal P. Lakhatariya(partner) Carpet Area each one is 71.37 Sq yards

- j) EQM of Four Residential Flats No. F-701, 702, 703 and 704, 7th Floor, Tejandra Crystal, Shiv Shanti Society, Nr Vastral Cross Road Vastral, Ahmedabad. Owned BY Mrs. Supal P. Lakhatariya(partner) Carpet Area each one is 72.34 Sq yards.
- k) Commercial immovable properly being office no A/204 on 2nd floor, Block A, ad measuring about 825.00 sq ft. (Super built up area), “Tulip Corpos” of “Utility Center shops and offices owners, Association & Vyapar Bhawan Viaks Mandal” above Pakwan Dining Hall Opp. V.S. Hospital Ashram Road, Ellise Bridge, Ahmedabad –380006, in the name of M/s Supal Distributors LLP.
- l) The immovable property bearing Unit/ Flat No.B/104 admeasuring about 95.37 Sq. Mtrs. (Built-Up) situated on First Floor of Block No. "B" Shyam Elegance Scheme, togethewith undivided share admeasuring about 21.55 Sq. Mtrs. belonging to Panilam Lakhatariya (Promoter).
- m) The immovable property bearing Unit/ Flat No. F/703 admeasuring about 59.47 Sq. Mtrs. (Built-Up) situated on First Floor of Block No. "F" Shyam Elegance Scheme, togethewith undivided share admeasuring about 22.10 Sq. Mtrs. belonging to Panilam Lakhatariya (Promoter).
- n) The immovable property bearing Unit/ Flat No. I/301 admeasuring about 115.00 Sq. Yrds. (Built-Up) situated on First Floor of Block No. "I" Sun City, together with undivided share admeasuring about 24.00 Sq. Mtrs. belonging to Supal Lakhatariya (Promoter).
- o) Pledge of Time Deposit Receipt in name of Panilam Lakhtariya of ₹ 87.32 lakhs.
- p) Credit Guarantee Fund Trust for Micro and Small Enterprises cover of ₹ 1 crore.

**Guarantee:** Unconditional personal guarantee by Panilam Lakhatariya and Supal Lakhatariya (Promoters)

## **SECTION VII – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding (I) criminal or Civil proceedings (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five (5) Financial Years, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters and Directors (the “**Relevant Parties**”).

For the purpose of point (V) above, our Board has considered and pass the Resolution for identification of material litigation involving the Relevant Parties in its meeting held on March 23, 2023 and has considered for identification of material litigation involving the Relevant Parties.

In terms of the Materiality, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter since incorporation including outstanding action, and tax matters, would be considered ‘material’ if:

- a. *if the aggregate amount involved in such individual litigation, to the extent quantifiable, exceeds 5% of the profit after tax of the Company, as per the Restated Financial Statements.*
- b. *where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but where an adverse outcome in any litigation would materially and adversely affect our Company’s business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.*

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 23, 2023 determined that outstanding dues to creditors in excess of 5% of the outstanding trade payables as per the last audited financial statements. Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at [www.monopharmacareltd.com](http://www.monopharmacareltd.com).

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

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.monopharmacareltd.com](http://www.monopharmacareltd.com). It is clarified that for the purposes of the above, pre – litigations notices received by our Company Promoter, and the Directors shall, unless otherwise decided by the Board, not be considered as material litigations until such time that litigations proceedings are initiated before any judicial forum.

### **I.LITIGATIONS INVOLVING OUR COMPANY**

#### **A. Litigation filed against our Company – Nil**

- Criminals proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

#### **B. Litigation filed by our Company – 3**

- Criminal proceedings: 3

### ***Mono Chemist***

1. Mono Chemist through Panilam Lakhatariya has filed a Criminal Complaint No. 86275 of 2022 against Abhi Waghela of A.V. Trip Planner i.e. the accused in court room no. 38 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Mono Chemist. Mono Chemist had approached the accused to book a Goa trip for its staff pursuant to which the accused had demanded an advance amount of ₹1,20,000/- (Rupees One Lakh Twenty Thousand only) which was duly paid by Mono Chemist on March 14, 2020. Due to outbreak of Covid-19 and the declaration of nationwide lockdown, the said trip could not be undertaken. Subsequently, on September 18, 2020, the accused demanded a further amount of ₹1,00,000/- (Rupees One Lakhs only) from Mono Chemist which was duly paid. Despite payment of amount, the accused failed to make necessary bookings and misused the amounts paid by Mono Chemist towards booking of trip. Mono Chemist demanded refund of money from the accused who agreed to pay by cheques. The accused made payment in 4 instalment by separate 4 cheques out of which the cheque dated May 30, 2022 bearing no. 004332 drawn in Axis Bank was submitted to Mono Chemist for the amount of ₹ 40,000/- (Rupees Forty Thousand only) was dishonoured on May 31, 2022 with a remark “funds insufficient” pursuant to which a legal notice was sent to the accused on June 29, 2022 and Complaint was filed on August 05, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** October 03, 2023

2. Mono Chemist through Panilam Lakhatariya has filed a Criminal Complaint No. 86286 of 2022 against Abhi Waghela of A.V. Trip Planner i.e. the accused in court room no. 38 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Mono Chemist. Mono Chemist had approached the accused to book a trip of Goa for its staff pursuant to which the accused had demanded and advance amount of ₹1,20,000/- (Rupees One Lakh Twenty Thousand only) which was duly paid by Mono Chemist on March 14, 2020. Due to outbreak of Covid-19 and the declaration of nationwide lockdown, the said trip could not be undertaken. Subsequently, on September 18, 2020, the accused demanded a further amount of ₹1,00,000/- (Rupees One Lakhs only) from Mono Chemist which was duly paid. Despite payment of amount, the accused failed to make necessary bookings and misused the amounts paid by Mono Chemist towards booking of trip. Mono Chemist demanded refund of money from the accused who agreed to pay by cheques. The accused made payment in 4 instalment by separate 4 cheques out of which the cheque dated May 30, 2022 bearing no. 004333 for an amount of ₹60,000/- (Rupees Sixty Thousand only), cheque dated June 10, 2022 bearing no. 004331 for an amount of ₹60,000/- (Rupees Sixty Thousand only) and cheque dated June 15, 2022 bearing no. 004330 for an amount of ₹60,000/- (Rupees Sixty Thousand only) drawn in Axis Bank submitted to Mono Chemist for the total amount of ₹ 1,80,000/- (Rupees One Lakhs Eighty Thousand only) were dishonoured on 13<sup>th</sup> June, 2022, 16<sup>th</sup> June, 2022 and 23<sup>rd</sup> June, 2022 with a remark “funds insufficient” pursuant to which a legal notice was sent to the accused on July 02, 2022 and Complaint was filed on August 05, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** October 03, 2023

3. Mono Chemist through Panilam Lakhatariya has filed a Criminal Complaint No. 124325 of 2022 against Madhav Hiralal Chawda of Truecare Healthcare i.e. the accused in court room no. 35 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Mono Chemist. The cheque dated October 20, 2022 bearing no. 035531 drawn in Kankaria Maninagar Nagrik Sahkari Bank Limited was submitted to Mono Chemist for the amount of ₹ 23,92,282/- (Rupees Twenty Three Lakhs Ninety Two Thousand Two Hundred Eighty Two only) by the accused to make payment of good supplied by Mono Chemist. The said cheque was dishonoured on October 21, 2022 with a remark “funds insufficient” pursuant to which a legal notice was sent to the accused on November 09, 2022 and Complaint was filed on December 12, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** October 03, 2023

- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

**C. Tax proceedings- Nil**

**II. LITIGATIONS INVOLVING OUR PROMOTER**

**A. Litigation filed against our Promoter – Nil**

- Criminal proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

**B. Litigation filed by our Promoter – Nil**

- Criminal proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

**C. Tax proceedings- Nil**

**D. Litigations filed by Promoters of our Company**

- Criminal Litigations- Nil
- Civil Proceedings- Nil

**III. Litigations involving Director(s) of our Company**

**A. Litigation filed against our directors – NIL**

- Criminal proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

**B. Litigation filed by our directors – Nil**

- Criminal proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: Nil

**C. Tax proceedings- Nil**

**IV. Litigations involving Group Companies of our Company.**

**A. Litigation filed against our Group Companies – Nil**

- Criminal proceedings: Nil
- Outstanding actions by regulatory and statutory authorities: Nil

- Civil Proceedings: Nil

#### ***B. Litigation filed by our Group Companies – 4***

- Criminal proceedings: 3

##### ***Ahmedabad Medical Corporation***

1. Ahmedabad Medical Corporation through Panilam Lakhatariya has filed a Criminal Complaint No. 98216 of 2022 against Hemlata Dipeshkumar Jain of Neminath Pharma Agency and Ashokbhai Jain of Mahavir Medical Stores i.e. the accused in court room no. 35 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Ahmedabad Medical Corporation. The cheque dated July 27, 2022 bearing no. 164486 drawn in Bank of India was submitted to Ahmedabad Medical Corporation for the amount of ₹ 2,00,000/- (Rupees Two Lakhs only) by the accused to make payment of good supplied by Ahmedabad Medical Corporation. The said cheque was dishonoured on August 05, 2022 with a remark “exceed arrangement’ pursuant to which a legal notice was sent to the accused on September 06, 2022 and Complaint was filed on October 03, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** September 20, 2023

2. Ahmedabad Medical Corporation through Panilam Lakhatariya has filed a Criminal Complaint No. 38571 of 2022 against Himanshubhai S. Shah of Pushti Enterprise and Chintan Bhat i.e. the accused in court room no. 30 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Ahmedabad Medical Corporation. The cheque dated January 27, 2022 bearing no. 006849 drawn in Axis Bank was submitted to Ahmedabad Medical Corporation for the amount of ₹ 4,88,219/- (Rupees Four Lakhs Eighty Eight Thousand Two Hundred Nineteen only) by the accused to make payment of good supplied by Ahmedabad Medical Corporation. The said cheque was dishonoured on January 28, 2022 with a remark “funds insufficient’ pursuant to which a legal notice was sent to the accused on February 25, 2022. The accused have returned the goods worth ₹ 3,56,351/- (Rupees Three Lakhs Fifty Six Thousand Three Hundred Fifty One only) to Ahmedabad Medical Corporation due to which Ahmedabad Medical Corporation has to recover an amount of ₹ 1,21,868/- (Rupees One Lakhs Twenty One Thousand Eight Hundred Sixty Eight only). The Complaint was filed on April 04, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** October 20, 2023

3. Ahmedabad Medical Corporation through Panilam Lakhatariya has filed a Criminal Complaint No. 120746 of 2022 against Madhav Hiralal Chawda of Truecare Healthcare i.e. the accused in court room no. 33 of Additional Chief Metropolitan Magistrate Court at Ahmedabad, Gujarat under Section 138 and 142 read with Section 141 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheque issued in favour Ahmedabad Medical Corporation. The cheque dated October 20, 2022 bearing no. 035532 drawn in Kankaria Maninagar Nagrik Sahkari Bank Limited was submitted to Ahmedabad Medical Corporation for the amount of ₹ 12,48,673/- (Rupees Twelve Lakhs Forty Eight Thousand Six Hundred Seventy Three only) by the accused to make payment of good supplied by Ahmedabad Medical Corporation. The said cheque was dishonoured on October 21, 2022 with a remark “funds insufficient” pursuant to which a legal notice was sent to the accused on November 09, 2022 and Complaint was filed on December 12, 2022.

**Status:** - Issue of Process to Accused

**Next Date:** October 05, 2023

- Outstanding actions by regulatory and statutory authorities: Nil
- Civil Proceedings: 1

### **Supal Distributors LLP**

Supal Distributors LLP through its partner Panilam Lakhatariya has filed Commercial Summary Suit under the Commercial Court Act, 2015 read with Code of Civil Procedure against Ms. Alkaben Vinodbhai Thakkar of Lala Medicine for recovery of ₹ 54,76,779/- (Rupees Fifty Four Lakhs Seventy Six Lakhs Seven Hundred Seventy Nine only) along with interest at the rate of 12% p.a. amounting to ₹ 6,57,213/- (Rupees Six Lakhs Fifty Seven Thousand Two Hundred Thirteen only) aggregating to ₹ 61,33,985/- (Rupees Sixty One Lakhs Thirty Three Thousand Nine Hundred Eighty Five only). Ms. Alkaben Vinodbhai Thakkar of Lala Medicine has approached Supal Distributors LLP for obtaining goods in relation to pharmacy/medicine. Supal Distributors LLP supplied the good to Ms. Alkaben Vinodbhai Thakkar of Lala Medicine and in due course raised bills demanding payment of ₹.1,17,77,130/- (Rupees One Crore Seventeen Lakhs Seventy Seven Thousand One Hundred Thirty only) against which some part payment of ₹ 57,20,311/- (Rupees Fifty Seven Lakhs Twenty Thousand Three Hundred Eleven only) were made by Ms. Alkaben Vinodbhai Thakkar and a balance of ₹ 54,76,779/- remained to be paid. Since Ms. Alkaben Vinodbhai Thakkar did not pay the balance amounts demanded by Supal Distributors LLP, the Commercial Summary Suit has been filed on May 19, 2022 in Ahmedabad City Civil Commercial Court bearing Commercial Summary Suit No.352 of 2022. The said commercial suit was referred to mediation under Commercial Courts Act, 2015 but a non-starter report has been passed on March 17, 2022 and accordingly the said Suit shall proceed in its due course.

**Status:** - For documentary evidence

**Next Date:** August 28, 2023

### **C. Tax proceedings- Nil**

#### **Outstanding dues to Small Scale Undertakings or any other Creditors**

In terms of our Materiality Policy adopted by the Board vide Resolution dated March 23, 2023 the Board deems all creditors above 5% of the outstanding trade payables as per the last audited financial statements as material creditors. As of March 31, 2023, our Company owes the following amounts to small scale undertakings, other creditors and material creditors.

<b>Sr. No.</b>	<b>Particulars</b>	<b>₹ in Lakhs</b>
1.	<b>Material Creditors</b>	<b>249.62</b>
2.	Micro and Small Enterprises	127.00
3.	Other Creditors	122.62
4.	<b>Other than Material Creditors</b>	<b>390.12</b>
<b>Total</b>		<b>639.74</b>

*\*The above information has been provided as available with the company to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplier under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.monopharmacare ltd.com](http://www.monopharmacare ltd.com).*

#### **WILFUL DEFAULTER OR FRAUDULENT BORROWERS**

Neither our Company, our Promoters nor our Directors are or have been classified as a wilful defaulter or fraudulent borrowers by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

#### **Material Developments**

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Material Developments Subsequent to the last financial year*” on page 179 of this Prospectus, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER KEY APPROVALS

In view of the licenses, permissions, approvals, no-objections, certifications, registrations, (collectively “Approvals”) from the Government of India and various statutory, regulatory, governmental authorities listed below, our Company have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business activities (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business. It must be distinctly understood that in granting these Approvals, the Government of India and other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Industry Regulations and Policies” on page 118 of this Prospectus.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

### (A) Approvals for the Issue

#### Corporate Approvals

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on March 21, 2022, authorised the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to a resolution dated March 22, 2023, passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorised the Issue.

#### In-principle approval from the Stock Exchange

1. The Company has obtained in-principle listing approval from the SME Exchange of the National Stock Exchange of India dated June 09, 2023.

#### Agreements with CDSL and NSDL

1. The Company has entered into an agreement dated January 16, 2023, with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated January 24, 2023, with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Skyline Financial Services Private Limited, for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0OIP01012.

### (B) Registration under the Companies Act, 2013:

Sr. No.	Authority Granting Approval	Approval Registration No.	/ Applicable Laws	Nature of Approvals	of Date of Issue	Validity
1.	Registrar of Companies, Assistant Registrar of Companies,	of U24304GJ2022PL C136193	Companies Act, 2013	Certificate of Incorporation	of October 17, 2022	Valid, till Canceled

Sr. No.	Authority Granting Approval	Approval Registration No.	/	Applicable Laws	Nature of Approvals	Date of Issue	Validity
	Ahmedabad, Gujarat						

**(C) Registration under various Acts/Rules relating to Income Tax and Goods and Service Tax:**

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAQCM2821E	October 17, 2022	Valid, till Cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	AHMM23123C	October 17, 2022	Valid, till Cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 (Gujarat)	Government of India	24AAQCM2821 E1ZN	December 02, 2022	Valid, till Cancelled

**(D) Registration and Approvals under Statutory and Regulatory Act(s):**

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
1.	Certificate of Registration under The Gujarat State, Tax on Professions, Trades, Callings and Employment Act, 1976	Government of Gujarat	PRC01050502 1013	March 29, 2023	Valid till cancelled
2.	Certificate of Enrolment under sub-section (2) of Section 5 of the Gujarat State, Tax on Professions, Trades, Callings and Employment Act, 1976	Government of Gujarat	PEC0105050 002321	March 29, 2023	Valid till cancelled
3.	Allotment of Sub-Code under Employees' State Insurance Corporation Act, 1948	Government of Gujarat	37001342710 000999	October 17, 2022	Valid till cancelled
4.	Registration under Employee's Provident Funds and Miscellaneous Provisions Act, 1952	Ministry of Labour and Employment, Government of India	GJAH277932 6000	October 17, 2022	Valid till cancelled
5.	Certificate of Importer-Exporter Code	Ministry of Commerce and Industry/ Directorate	AAQCM2821E	December 23, 2022	Valid till cancelled

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
		General of Foreign Trade			
6.	Registration Certificate under Food Safety and Standards Authority of India under FSS Act, 2006	Food and Drugs Control Administration	20722034002254	December 07, 2022	December 06, 2027
7.	License issued under Drugs and Cosmetics Act, 1940	Office of Assistant Commissioner, Food and Drugs Control Administration, Ahmedabad, Gujarat	157779 and 157780	October 17, 2022	October 16, 2027
8.	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0245949	February 22, 2023	Valid till cancelled
9.	Certificate of Registration under Gujarat Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2019	Incharge Assistant Manager (OS), West Zone, Shop and Establishment Department, Amdavad Municipal Corporation	PII/DRND/4000987/0276696	April 06, 2023	Valid, till Cancelled

**(E) Approvals applied but not yet received:**

Nil

**(F) Material Approvals not yet applied:**

Nil.

**(G) INTELLECTUAL PROPERTY RELATED APPROVALS**

1. Trademark Application:

Sr. No.	Authority Granting Approval	Application No./ Trademark No.	Temporary Reference No./ Registration No.	Class	Trademark	Status
1.	Trade Marks Registry Under Trade Marks Act	4509494	-	Class 5	 #	Registered

Sr. No.	Authority Granting Approval	Application No./ Trademark No.	Temporary Reference No./ Registration No.	Class	Trademark	Status
2.	Trade Marks Registry Under Trade Marks Act	5821348	8327695	Class 5	AMOXIPAL	Marked for Examination
3.	Trade Marks Registry Under Trade Marks Act	5821347	8327694	Class 5	CETRIPAL	Marked for Examination
4.	Trade Marks Registry Under Trade Marks Act	5821342	8327693	Class 5	ITRAPAL	Marked for Examination
5.	Trade Marks Registry Under Trade Marks Act	5821337	8327692	Class 5	NIMESUPAL	Marked for Examination
6.	Trade Marks Registry Under Trade Marks Act	5821331	8327625	Class 5	PENTOPAL	Marked for Examination
7.	Trade Marks Registry Under Trade Marks Act	5841207	8393750	Class 3	SUPAL**	Formalities Check Pass
8.	Trade Marks Registry Under Trade Marks Act	5841212	8394292	Class 5	DERMIPAL	Formalities Check Pass
9.	Trade Marks Registry Under Trade Marks Act	5841213	8394293	Class 5	PARAPAL	Formalities Check Pass
10.	Trade Marks Registry Under Trade Marks Act	5841214	8394294	Class 5	SUFIXIM	Formalities Check Pass

#Registered in the name of Panilam Lakhatariya.

\*\* Application for registration of trademark made by Supal Distributors LLP.

#### **DLS Export\***

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
1.	License issued under Drugs and Cosmetics Act, 1940	Office of Assistant Commissioner, Food and Drugs Control Administration, Ahmedabad, Gujarat	186971 and 186972	January 22, 2021	January 21, 2026
2.	Permanent Account Number (PAN)	Income Tax Department, Government of India	ACDPL736 2D	March 02, 2020	Valid, till Cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 (Gujarat)	Government of India	24ACDPL7 362D1ZU	March 02, 2020	Valid, till cancelled

*\*Our company acquired proprietorship firm of our promoter Panilam Lakhatariya M/s DLS Export pursuant to business transfer agreement dated December 15, 2022. Our Company is in process of transfer of licences and approvals.*

**(H) MATERIAL APPROVALS IN RELATION TO PARTNERSHIP FIRM/ LIMITED LIABILITY PARTNERSHIP**

**1. Ahmedabad Medical Corporation (partnership firm)**

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
1.	License issued under Drugs and Cosmetics Act, 1940	Office of Assistant Commissioner, Food and Drugs Administration, Ahmedabad, Gujarat	185429 and 185430	December 23, 2020	December 22, 2025
2.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAGFA0999L	May 1994	31, Valid, till Cancelled
3.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 (Gujarat)	Government of India	24AAGFA0999L1Z5	February 13, 2021	Valid, till cancelled
4.	Certificate of Enrolment under sub-section (2) of Section 5 of the Gujarat State, Tax on Professions, Trades, Callings and Employment Act, 1976	Government of Gujarat	PEC011210931	July 2020	15, Valid till cancelled
5.	Registration Certificate under Food Safety and Standards Authority of India under FSS Act, 2006	Food and Drugs Control Administration	20721037001379	March 2021	04, March 03, 2026
6.	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0116614	November 11, 2021	Valid till cancelled

**2. Supal Distributors LLP**

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
1.	Registrar of Companies,	AAH-8775	LLP Act, 2008	November 24, 2016	Valid, till cancelled

Sr. No.	Description	Authority	Registration Number	Date of Issue	Validity
	Ahmedabad, Gujarat				
2.	License issued under Drugs and Cosmetics Act, 1940	Office of Assistant Commissioner, Food and Drugs Control Administration, Ahmedabad, Gujarat	138895 and 138896	August 27, 2018	August 26, 2023
3.	License issued under Drugs and Cosmetics Act, 1940	Office of Assistant Commissioner, Food and Drugs Control Administration, Ahmedabad, Gujarat	138895 and 138896	October 08, 2021	October 07, 2026
4.	Permanent Account Number (PAN)	Income Tax Department, Government of India	ADEFS8542E	December 12, 2016	Valid, till Cancelled
5.	GST Registration Certificate under the provisions of Central Goods and Services Tax, 2017 (Gujarat)	Government of India	24ADEFS8542E1Z3	May 31, 2022	Valid, till cancelled
6.	Certificate of Enrolment under sub-section (2) of Section 5 of the Gujarat State, Tax on Professions, Trades, Callings and Employment Act, 1976	Government of Gujarat	PEC010511001577	October 20, 2018	Valid till cancelled
7.	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0054440	March 10, 2021	Valid till cancelled

## SECTION VIII-OTHER REGULATORY AND STATUTORY DISCLOSURES

### **Authority for the Issue**

#### **Corporate Approvals:**

The issue has been authorised by the Board of Directors vide a resolution passed at its Meeting held on March 21, 2023, subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in Extra-Ordinary General Meeting held on March 22, 2023, authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

#### **In-principle Listing Approval:**

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated June 09, 2023 to use the name of National Stock Exchange of India Limited in the Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

#### **Prohibition by SEBI or Other Governmental Authorities**

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 and that our Company, our Directors, our Promoters, our Promoter Group, Person in control of our Promoters or our Company is not prohibited from accessing or operating in the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Prospectus.

The companies, with which our directors are or were associated as promoters, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

#### **Prohibition by RBI**

None of our Company, Promoters, relatives of Promoters or directors have been identified as a wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoters, relatives of Promoters or directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

#### **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 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 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. As on the date of filing Prospectus, there are no such significant beneficial owners in our Company.

#### **Association with Securities Market**

We confirm that none of our directors or the entities that our directors are associated with as promoter or directors are in any manner are associated with the Securities Market in any manner and no action has been initiated against our Directors or any entity in which our Directors are associated with as promoter or directors.

### **Eligibility for this Issue**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this 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 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company’s post issue paid up capital is more than 10 crore rupees but less than 25 crore 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. NSE EMERGE.

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 Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

#### **a) The Issuer should be a company incorporated under the Companies Act 2013:**

Our company was originally formed as a partnership firm in the name and style of “M/s. Mono Chemist” The partnership firm was then converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited vide Certificate of Incorporation dated October 17, 2022.

#### **b) The post issue paid up capital of the company (face value) shall not be more than ₹25.00 Crores.**

The present paid-up capital of our Company is ₹ 12,36,85,640 and we are proposing issue of 53,00,000 Equity Shares of ₹ 10/- each at issue price of ₹ 28 per Equity Share including share premium of ₹ 18 per Equity Share, aggregating to ₹ 1,484.00 Lakhs. Hence, our Post Issue Paid up Capital will be approximately ₹ 1,766.86 Lakh which will be less than ₹ 25 Crore.

#### **c) Track Record**

Our Company has a track record of three years as on date of filing of this Prospectus.

#### **d) Operating Profits from Operations and Net-worth**

The Company has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

Our Company’s net worth and Operating profits from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Prospectus the last three Fiscals ended 2022 and 2021 and for the period ended October 16, 2022 and March 31, 2023 are set forth below:

(₹ in Lakhs)

<b>Particulars</b>	<b>For the period October 17, 2022 to March 31, 2023</b>	<b>For the period April 01, 2022 to October 16, 2022</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<i>Operating Profit (earnings before interest, depreciation and tax)</i>	223.90	72.68	128.15	84.68

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at October 16, 2022</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<i>Share Capital</i>	1236.86	492.83	427.57	369.58
<i>Add: Reserves &amp; Surplus</i>	131.71	-	-	-
<b>Net Worth</b>	<b>1368.57</b>	<b>492.83</b>	<b>427.57</b>	<b>369.58</b>

\*w.e.f. October 17, 2022, M/s Mono Chemist, partnership firm was converted into Public Limited company under part I (Chapter XXI) of the Companies Act, 2013 in the name and style of Mono Pharmacare Limited

- e) The Company has not been referred to Board for Industrial and Financial Reconstruction.
- f) No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
- g) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
- h) Our Company has a website: [www.monopharmacareltd.com](http://www.monopharmacareltd.com)

#### **Other Disclosures:**

- a) We have Disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting Company(ies), group Company(ies), subsidiaries companies promoted by the promoter/promoting Company(ies) of the applicant Company in the Prospectus.
- b) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoter/promoting Company(ies), Company(ies), companies promoted by the promoter/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- c) We have Disclosed the details of the applicant, Promoter/Promoting Company(ies), Group Company(ies), subsidiaries, companies promoted by the promoter/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, For details, please refer the chapter "Outstanding Litigation & Material Developments" on page 189 of this Prospectus.
- d) We have disclosed all details of the track record of the directors. For Details, refer the chapter "Outstanding Litigation & Material Developments" on page 189 of this Prospectus

#### **As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:**

- The Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
  - a. Tripartite agreement dated January 24, 2023, with NSDL, our Company and Registrar to the Issue;
  - b. Tripartite agreement dated January 16, 2023, with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0OIP01012

- The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up
- The entire Equity Shares held by the Promoters has been in dematerialised form.
- The entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance excluding the amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter “*Objects of the Issue*” on page 74 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within four days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of four days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS TO 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 PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE BOOK RUNNING LEAD MANAGER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE 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 ANYPOINT OF TIME, WITH THE BOOK**

## **RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.**

### **Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, Gujarat in terms of Section 26 and 32 of the Companies Act, 2013.

### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

None amongst our Company is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise; or (ii) the blocking of Applications Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

All information shall be made available by our Company, and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or any affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, our Promoter Group, affiliates or associates or third parties for which they have received and may in the future receive compensation.

### **Disclaimer in Respect of Jurisdiction**

This issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this 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, except that this Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its

observations in due course. Accordingly, the Equity Shares represented hereby may not be issued or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no 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.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2320 dated June 09, 2023, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Disclaimer clause under rule 144A of the U.S. Securities act, 1993**

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 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other

jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

### **Filing**

The Offer Document is being filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai- 400051, Maharashtra

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Offer Document shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Offer Document in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL1/CIR/P/2018/011* dated *January 19, 2018*, a copy of the Offer Document will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 and copy of the Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>

### **Listing**

Application will be made to the “National Stock Exchange of India Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated StockExchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. NSE/LIST/2320 dated June 09, 2023.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Prospectus. If such money is not repaid within 4 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 4 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

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 six Working Days from the Issue Closing Date.

### **Disposal of Investor Grievances by our Company**

Our Company has constituted a Stakeholders’ Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details, please refer to the chapter titled “*Our Management*” beginning on page 132 of this Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our

Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Krupali Thakkar, as the Company Secretary & Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Krupali Thakkar**

**Mono Pharmacare Limited**

1A, Krinkal Apartment, Opp. Mahalaxmi Temple,  
Paldi, Ahmedabad-380007.  
Gujarat, India.

**Tel No:** +91 99780 41356

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

**E-mail:** [cs@monopharmacareltd.com](mailto:cs@monopharmacareltd.com)

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post- Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”.

This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). The Company shall obtain authentication on the SCORES and comply with the SEBI circular no. CIR/OIAE/1/2013 dated December 18, 2014 in relation to redressal of investor grievances through SCORES. As on the date of this Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Prospectus.

**Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:*

*“Any person who –*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not 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.

**Consents**

Consents in writing of: (a) Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory and Peer Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, the syndicate Members, Bankers to the Issue/Escrow Bank, Public Offer Account Bank(s), Sponsor Bank(s) and Refund Bank(s), Underwriter, Market Maker, Banker to the Issue, and Legal Advisor to the Issue, 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 Sections 26 and 32 of

the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, Kumbhat & Co., Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements (2) Restated Financial Statements dated March 21, 2023 (3) Examination Report on Restated Consolidated Financial Statements & Restated Consolidated Financial Statements and (4) Report on Statement of Possible Tax Benefits dated March 31, 2023, which may be available to the Company and its shareholders, included in this 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 Prospectus.

### **Expert Opinion**

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this Prospectus in relation to the (a) Statutory and Peer Review Auditors' reports on the Restated Financial Statements (b) Statement of Possible Tax Benefit (c) Statutory and Peer Review Auditors' reports Restated Consolidated Financial Statements & Restated Consolidated Financial Statements, such consent has not been withdraw as on date of this RHP. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

### **Stock Market data for our Equity Shares of our Company**

Our Company is an "*Unlisted Issuer*" in terms of the SEBI (ICDR) Regulations, and this Issue is an "*Initial Public Offering*" in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

**Price Information and track record of past issued handled by the Book Running Lead Manager/Lead Manager**

Sr. No.	Issue Name	Issue Size (in Lakhs)	Issue price	Listing date	Opening price on listing date	+/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing
1	Likhitha Infrastructure Limited	6120.00	120	October 15, 2020	136.60	16.14%, [10.22%]	41.43%, [23.74%]	170.87%, [24.84%]
2	Siddhika Coatings Limited	469.68	57	April 7, 2021	56.95	0.88%, [0.02%]	21.05%, [7.18%]	62.72%, [20.05%]
3	Bombay Metrics Supply Chain Limited	428.54	93	October 12, 2021	103.20	28.35%, [0.62%]	59.09%, [1.22%]	329.09%, [-2.57%]
4	Sigachi Industries Limited	12,542.85	163	November 15, 2021	603.75	150.80, [-4.90%]	96.26%, [-4.18%]	65.28%, [-12.85%]
5	HP Adhesives Limited	12,596.33	274	December 27, 2021	334.95	42.34%, [0.14%]	38.21%, [0.39%]	31.30%, [-7.34%]
6	Integrated Personnel Services Limited	1,274.40	59	November 11, 2022	66.50	37.63% [0.80%]	25.68% [-2.49%]	21.80% [-0.19%]
7	All E Technologies Limited	4,377.60	90	December 21, 2022	125.00	23.72% [-0.94]	2.94% [-6.00]	17.17% [3.06%]
8	Global Surfaces Limited	15,498	140	March 23, 2023	163.00	54.64% [3.90%]	43.32% [10.42%]	-
9	MOS Utility Limited	4,996.54	76	April 18, 2023	90.00	39.47% [2.66%]	15.39% [11.62%]	-
10	Sahana System Limited	3,273.75	135	June 12, 2023	163.00	8.22% [4.21%]	-	-
11	Sangani Hospitals Limited	1,516.80	40	August 17, 2023	44.00	-	-	-

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012, issued by SEBI, please see the website [www.unistonecapital.com](http://www.unistonecapital.com)

Notes:

- Source: [www.nseindia.com](http://www.nseindia.com) for the price information
- Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.
- The Nifty 50 index is considered as the benchmark index.

**Summary statement of price information of past public issues handled by BRLM:**

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			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%
FY 2021-22	4	260.37	-	-	-	1	2	1	-	-	-	2	1	1
FY 2022-23	3	215.92	-	-	-	-	3	-	-	-	-	-	-	-
FY 2023-24	3 <sup>#</sup>	97.87	-	-	-	-	1	1	-	-	-	-	-	-

*\*The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.*

*# MOS Utility Limited, Sahana System Limited and Sangani Hospitals Limited was listed on April 18, 2023, June 12, 2023 and August 17, 2023, respectively.*

**Track record of past issues handled by the Book Running Lead Manager**

For details regarding the track record of the BRLM, as specified in Circular reference *CIR/MIRSD/1/2012* dated *January 10, 2012* issued by SEBI, please see the website [www.unistonecapital.com](http://www.unistonecapital.com)

### **Previous Rights and Public Offers**

Except as stated in the section titled “*Capital Structure*” beginning on page 61 of this Prospectus, we have not made any previous rights and/or public offers during last five years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is first “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Commission and Brokerage on previous offers**

Since this is the initial public Issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last five years.

### **Capital Issue during the previous three years by Issuer Company and Listed Group Companies / Subsidiaries / Associates**

Our Company has not made any capital issues during the three years preceding the date of this Prospectus. Further, our Company does not have any listed group companies, subsidiaries or associates.

### **Performance Vis-a-Vis Objects for our Company and/or Listed Subsidiary Company and/or listed Promoter Company**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Prospectus our Company has no any listed corporate promoters and no listed subsidiary company.

### **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.

## SECTION IX – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Allotted pursuant to this issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, 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 SEBI, the RBI, the Government of India, the FIPB, the Stock Exchange, the RoC and any other authorities while granting their 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) facility for making payment. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019*. Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

Further vide the said circular Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on the operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning from page 263 of this Prospectus.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on March 21, 2023, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on March 22, 2023.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our

Company. For further details, “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on page 150 and 263 respectively of this Prospectus.

### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the Price Band is ₹ 26 per Equity Share and at the higher end of the Price Band is ₹ 28 per Equity Share.

The Price Band and the Bid Lot will be decided by our Company in consultation with the BRLM, and published by our Company in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid/Issue Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **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 dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive Issue 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 limited company under the Companies Act, 2013, the terms of 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, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 263 of this 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 dematerialized 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:

Tripartite agreement dated January 24, 2023 between our Company, NSDL and the Registrar to the Issue.  
Tripartite agreement dated January 16, 2023 between our Company, CDSL and the Registrar to the Issue.  
The Company's shares bear an ISIN: INE0OIP01012.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of 4000 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 4000 Equity Share subject to a minimum allotment of 4000 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 blocked by the SCSBs shall be unblocked within 4 working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

**The Equity Shares have not been and will not be, registered under the U.S. Securities Act 1933**, as amended (the "Securities Act") **or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.** Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

### **Nomination facility to Bidders**

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 the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other 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**

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

The final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares issued through this Issue on its SME Platform, which the Company shall apply for after Allotment and,

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the stock exchange where the Equity Shares may be proposed to be listed.

### **Bid/Issue Program**

<b>BID/ISSUE OPENS ON</b>	Monday, August 28, 2023
<b>BID/ISSUE CLOSES ON</b>	Wednesday, August 30, 2023*

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

- 1) In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Red Herring Prospectus with the Registrar of Companies.
- 2) In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public Issue shall be kept open for at least three working days and not more than ten working days.
- 3) In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (Issue) period disclosed in the red herring prospectus, for a minimum period of three working days, subject to the provisions

of sub-regulation (1) is applicable to our company as this is Book Building issue.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	Wednesday, August 30, 2023
Finalization of Basis of Allotment with NSE	On or about, Monday, September 04, 2023
Initiation of Refunds / unblocking of funds from ASBA Account*	On or about, Tuesday, September 05, 2023
Credit of Equity Shares to demat account of the Allottees	On or about, Wednesday, September 06, 2023
Commencement of trading of the Equity Shares on NSE	On or about, Thursday, September 07, 2023

\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE is taken within six Working Days from the Issue Closing Date, the time table 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.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect. The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

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. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 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 Book Running Lead Manager to the Stock Exchange. 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 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this 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 Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Issue) period disclosed in the red herring prospectus (in case of a book built issue) or the Issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.**

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensated on period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the application amount  ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock

Scenario	Compensation amount	Compensated on period
Delayed unblock for non Allotted / partially Allotted applications	– ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual Unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”)) during the Bid / Issue Period (except on the Bid / Issue Closing Date) at the Bidding Centers as mentioned on the Application Form except that:

on the Bid / Issue Closing Date:

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

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

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting*” beginning on page 51 of this Prospectus.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting*” beginning on page 51 of this Prospectus.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 4000 shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **New Financial Instruments**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

### **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 NSE EMERGE 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 NSE EMERGE 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-principle 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 NSE EMERGE (SME 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 NSE EMERGE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 51 of this Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of 4000 shares in terms of the SEBI circular no. *CIR/MRD/DSA/06/2012* dated *February 21, 2012*. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 61 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 263 of this Prospectus.

*Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue paid -up capital is more than 10 crore rupees but less than 25 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 pages 212 and 225 respectively, of this Prospectus.

Initial public offering 53,00,000 Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ 28 per Equity Share comprising of Fresh Issue. The Issue shall constitute 30.00% of the post-issue paid-up Equity Share capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Issue is being made through the Book Building Process, in compliance with Regulation 252 of the SEBI ICDR Regulations:

Particulars	QIB's <sup>(1)</sup>	Non- Institutional Bidders	Retail Individual Bidders	Market Maker
<b>Number of Equity Shares*</b>	5,00,000 Equity Shares	22,60,000 Equity Shares	22,64,000 Equity Shares	2,76,000 Equity Shares
<b>Percentage of Issue Available for allocation</b>	Not more than 10.00% of the Net Issue size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion will be available for allocation proportionately to Mutual Fund only. The unsubscribed portion in the Mutual Fund portion will be added to the QIB Portion.	Not less than 45.00% of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 45.00% of the Issue or the Issue less allocation to QIB Bidders and Non- Institutional Bidders	5.21% of the Issue Size
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate as follows: (a) up to 25,000 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) Up to 4,75,000 Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non- Institutional Portion, and the remaining Equity Shares, if	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis.	Firm Allotment

Particulars	QIB's <sup>(1)</sup>	Non– Institutional Bidders	Retail Individual Bidders	Market Maker
	as per (a) above.  For further details please refer to the section titled “Issue Procedure” beginning on page 225.	any, shall be allotted on a proportionate basis.  For details, see “Issue Procedure” beginning on page 225.	For details see, “Issue Procedure” on page 225.	
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
<b>Minimum Bid Size</b>	4000 Equity Shares of Face Value of ₹ 10.00 each	Such number of Equity shares in multiple of 4000 Equity shares such that Application size exceeds ₹ 2,00,000	4000 Equity Shares of Face Value of ₹10.00 each	4000 Equity Shares of Face Value of ₹ 10.00 each
<b>Maximum Bid Size</b>	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of 4000 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000	4000 Equity Shares

\* Assuming full subscription in the Issue

- (1) The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations. this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (2) Subject to valid Bids being received at or above the Issue Price. The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 253 of the SEBI ICDR Regulations. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see “Terms of the Issue” on page 212.

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.

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.

### Withdrawal of the Issue

The Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

The final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares issued through this Issue on its SME Platform, which the Company shall apply for after Allotment and,

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the stock exchange where the Equity Shares may be proposed to be listed.

## ISSUE PROGRAMME

<b>ISSUE OPENING DATE</b>	Monday, August 28, 2023
<b>ISSUE CLOSING DATE</b>	Wednesday, August 30, 2023

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.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual Bidders.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual Bidders, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Bidder shall be compensated in accordance with the applicable law by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in our Company with the SCSBs, to the extent applicable.

## Lot Size

SEBI vide circular *CIR/MRD/DSA/06/2012* dated *February 21, 2012* (“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:

<b>Issue Price (in ₹)</b>	<b>Lot Size (No. of shares)</b>
Up to 14	10,000

<b>Issue Price (in ₹)</b>	<b>Lot Size (No. of shares)</b>
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.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and the UPI Circulars, notified by SEBI (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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Book Running Lead Manager before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to this Issue.*

*Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the Unified Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Application Form); (viii) Designated Date; (ix) disposal of Applications; (x) submission of Application Form; (xi) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Investors 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 01, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by 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 Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, has introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. This circular is effective for initial public offers opening on or after May 01, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, and the provisions of this circular, as amended, are deemed to form part of this Prospectus.

*Thereafter, the final reduced timeline may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Issue will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to*

*the Bid / Issue Opening Date. If the Issue is made under UPI Phase III, the same will be advertised in all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarati edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered Office is located) on or prior to the Bid / Issue Opening Date and such advertisement shall also be made available to the Stock Exchange for the purpose of uploading on their websites. Further SEBI vide circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 have brought the implementation of the aforesaid circular dated March 16, 2021 in accordance with the revised timelines for certain of its provisions based on representations received from the stakeholders due to Covid-19 pandemic. The revisions of the circular dated June 02, 2021 are elaborated as under:*

- *SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.*
- *The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.*
- *In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Offer process.*
- *The Stock Exchanges and Book Running Lead Manager shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.*
- *The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e, the day when the Basis of Allotment (BOA) has to be finalized.*
- *The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.*
- *Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.*

*Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

*SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public Issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is up to ₹ 5 Lakhs may also use UPI.*

*Further, SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchange shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

*Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

*Further, our Company and BRLM are not liable for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in the Issue.*

## **PART A**

### **Book Built Process**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 10% of the Issue shall be allocated on a proportionate basis to QIBs Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 45% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 45% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted

Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. UPI Bidders shall Bid in the Issue through the UPI Mechanism.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*.

All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder, pursuant to SEBI circular number *SEBI/HO/CFD/DIL2/P/CIR/2022/75* dated *May 30, 2022*.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colors of the Application Form for various investors applying in the Issue are as follows:

<b>Categories</b>	<b>Color*</b>
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Investors, each resident in India and Eligible NRIs applying on a non-repatriation basis <sup>(1)</sup>	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) <sup>(1)</sup>	White

\*Excluding Electronic Application Form

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com))

For ASBA Forms (other than UPI Bidders using the UPI Mechanism), the Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow collection bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. Stock Exchange shall validate the electronic bids 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 Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded during the Bid Period and the modification / updation of Bids shall close at 5.00 pm on the Bid / Issue Closing Date.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021*, as amended pursuant to SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021* and SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022*.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021* and SEBI circular no. *SEBI/HO/CFD/DIL2/P/CIR/2021/570* dated *June 02, 2021*, and such payment of processing fees to the SCSBs shall be made in compliance with SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2022/51* dated *April 20, 2022*. The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of the Bid/ Issue Opening Date till the date of listing of the Equity Shares, with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any), across intermediaries and any such processes having an impact /bearing on the Issue Bidding process.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

Sr. No.	Designated Intermediaries
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For application submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company and Book Running Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Who can apply?**

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a. Indian national resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d. Mutual Funds registered with SEBI;
- e. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- j. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations.
- k. Foreign Venture Capital Investors registered with the SEBI;
- l. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o. Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their

- constitution to hold and invest in equity shares;
- p. Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
  - q. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated *November 23, 2005* of Government of India published in the Gazette of India;
  - r. Insurance funds set up and managed by army, navy or air force of the Union of India;
  - s. Multilateral and bilateral development financial institution;
  - t. Eligible QFIs;
  - u. Insurance funds set up and managed by army, navy or air force of the Union of India;
  - v. Insurance funds set up and managed by the Department of Posts, India;
  - w. Any other persons eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing RBI regulations, OCBs cannot participate in this Issue.

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**For Retail Individual Applicants**

The Application must be for a minimum of 4000 Equity Shares and in multiples of 4000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

**For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 4000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on 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).
- b) 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).
- c) For applications where the proportionate allotment works out to less than 4000 Equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 4000 Equity shares; and
  - ii. the successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 4000 Equity shares subject to a minimum allotment of 4000 Equity shares.
- e) If the Shares allotted 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. If as a result of the process of rounding off to the nearest multiple of 4000 Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
  - As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - The balance net Issue of shares to the public shall be made available for allotment to Individual applicants other than retail individual investors and Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
  - The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

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 Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Participation by Associates /Affiliates of BRLM and the Market Makers**

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the BRLM/Underwriters and Market Maker, if any may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

### **BIDS BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the Issue.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Application Form for residents. Eligible NRIs bidding on a repatriation basis are advised to use the Application Form meant for Non-Residents. For details of restrictions on investment by NRIs, please refer to the chapter titled "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 260 of this Prospectus.

### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

### **BIDS BY FPIs INCLUDING FIIS**

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014,

amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

### **Option to Subscribe in the Issue**

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Applicants:**

Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

Copies of the Application Form along with Abridged Red Herring Prospectus and copies of the Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (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, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares issued to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

#### **Applications by eligible NRIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered 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 sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as

an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral 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.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

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.

- a. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations; and
- b. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

#### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign

Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. 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 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 Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

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.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made. Custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with 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 BRLM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations"), as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- i. Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of

- general insurer or reinsurer;
- ii. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
  - iii. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus

of ₹ 2500 Lakhs and pension funds with minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the Book Running Lead Manager may deem fit.

### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹ 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

### **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 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, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered with the IRDA, a certified copy of certificate of registration issued by IRDA must SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Applications by Systemically Important Non-Banking Financial Companies In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. Systematically

Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time. Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants

In accordance with the SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

### Method and Process of Applications

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries there than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### **Terms of payment**

The entire Issue price of ₹ 4000 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10,*

2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

### **Maximum and Minimum Application Size**

The applications in this Issue, being a Book Built issue, will be categorized into two; For Retail Individual Applicants.

The Application must be for a minimum of 4000 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000

### **For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 4000 Equity Shares thereafter.

A person shall not make an application in the net issue category for a number of specified securities that exceeds the total number of securities issued to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities issued in the issue less total number of specified securities issued in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

### **Option to Receive Equity Shares in Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. The applications accepted by them,
  - ii. The applications uploaded by them
  - iii. The applications accepted but not uploaded by them or with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>Sr. No.</b>	<b>Details*</b>
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category

Sr. No.	Details*
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:

- Name of the Applicant;
- IPO Name;
- Application Form Number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;
- Client Identification Number of the demat account of the Applicant;
- Number of Equity Shares Applied for;
- Bank Account details;
- Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and Bank account number.

8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

12. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the

Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

13. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Allocation of Equity shares**

1. The Issue is being made through the Book Built Process wherein 2,76,000 Equity Shares shall be reserved for Market Maker and 23,52,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
2. Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- i. Our company will enter into an Underwriting agreement before filing prospectus.
- ii. A copy of the Red Herring Prospectus will be filed with the RoC in terms of Section 26 and 32 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Please note that, in terms of SEBI Circular No. *CIR/CFD/POLICYCELL/11/2015* dated *November 10, 2015* and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. *SEBI/HO/CFD/DIL2/CIR/P/2018/138* dated *November 01, 2018*, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **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.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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 4 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 relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **ADVERTISEMENT REGARDING ISSUE PRICE AND RED HERRING PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the floor Price and cap price.

### **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 thirty days from the date of Issue of the Red Herring Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Issue document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

### **General Instructions**

#### **Do's:**

1. Check if you are eligible to apply;
2. Read all the instructions carefully and complete the applicable Application Form;

3. Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
4. All Bidders should submit their Bids through the ASBA process only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
7. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
8. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
9. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
10. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. *SEBI/HO/CFD/DIL2/COR/P/2019/85* dated *July 26, 2019*;
11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Issue;
12. RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
13. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
14. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
15. If the first applicant is not the 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;
16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms;

17. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
18. 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 Bids, the Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
20. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
21. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
22. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries
23. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. 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;
24. Ensure that the Demographic Details are updated, true and correct in all respects;
25. 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;
26. Ensure that the category and the investor status is indicated;
27. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
29. Bidders 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 Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the 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;

30. Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;
31. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
32. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
33. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
34. Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
36. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
37. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. on Bid / Issue Closing Date.
38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 2,00,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. *SEBI/HO/CFD/DIL2/CIR/P/2019/85* dated *July 26, 2019* is liable to be rejected.

**Don'ts:**

1. Do not apply for lower than the minimum Application size;

2. Do not apply for a price different from the price mentioned herein or in the Application Form;
3. Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Do not send Application Forms by post, instead submit the Designated Intermediary only;
7. Do not submit the Application Forms to any non-SCSB bank or our Company.
8. Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
9. Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
10. Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Retail Individual Applicants);
11. 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 Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
13. Do not submit incorrect details of the DP ID, beneficiary account number 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;
14. Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
15. All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. *SEBI/HO/CFD/DCR2/CIR/P/2019/133* dated *November 08, 2019* & *SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M* dated *March 16, 2021*;
16. Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
17. 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 Bids submitted by RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Other instructions for the Bidders**

#### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Bidder would be required in the Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

A Bidder should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **SUBMISSION OF BIDS**

- I. During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Red Herring Prospectus.

### **GROUNDINGS OF TECHNICAL REJECTIONS**

Bidders are advised to note that SEBI, vide Circular No. *CIR/CFD/14/2012* dated *October 04, 2012* has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. *CIR/CFD/POLICY CELL/11/2015* dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the

application is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

**Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Book Running Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and

- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the BRLM 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.

### **Grounds for Rejection**

Applicants are advised to note that Applications are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4000;
- The amounts mentioned in the Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Applications as defined in the Red Herring Prospectus;
- Applications made using a third-party bank account or using third party UPI ID linked bank account
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GI and UPI Circular.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

- a. An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b. The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant’s Identification number) appearing in the Application Form or Revision Form.
- c. Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant’s beneficiary account (with the Depository Participant).
- d. Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e. If incomplete or incorrect details are given under the heading ‘Applicants Depository Account Details’ in the Application Form or Revision Form, it is liable to be rejected.
- f. The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis- à-vis those with their Depository Participant.
- g. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our

Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

- h. The trading of the Equity Shares of our Company would be only in dematerialized form.

### Communications

Registrar to the Issue 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 Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCKEXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

### EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated January 24, 2023 among NDSL, the Company and the Registrar to the Issue; and
- b. Agreement dated January 16, 2023 among CDSL, the Company and the Registrar to the Issue.
- c. The Company's shares bear ISIN no INE00IP01012.

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To,  
**Krupali Thakkar**  
**Mono Pharmacare Limited**  
1A, Krinkal Apartment Opp. Mahalaxmi  
Temple, Paldi Ahmedabad -380007, Gujarat.  
**Tel No.:** +91 99780 41356  
**Website:** [www.monopharmacareltd.com/](http://www.monopharmacareltd.com/)  
**Email id:** [cs@monopharmacareltd.com](mailto:cs@monopharmacareltd.com)

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To,  
**Swapnil Kate**  
**Bigshare Services Private Limited**  
S6-2, 6th Floor, Pinnacle Business Park, Next to  
Ahura Centre, Mahakali Caves Road, Andheri  
(East), Mumbai –400 093, Maharashtra, India  
**Tel No.:** 022-6263 8200  
**Fax No.:** 022-6263 8299  
**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com);  
**Investor Grievance Email:**  
[investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**SEBI Registration No.:** INR000001385

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### Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all English editions of the Business Standard (widely circulated English national daily newspaper), all Hindi editions of Business Standard (a widely circulated Hindi national daily newspaper) and Gujarat edition of Loksatta Jansatta (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Ahmedabad, where our Registered Office is located). In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### Disposal of Applications and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the StockExchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the Issue.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

### **PROCEDURE AND TIME OF FOR ALLOTMENT AND DEMAT CREDIT**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares.

### **Bidders are advised to instruct their Depository**

### **Participant 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 Bidders who have been Allotted Equity Shares in the Issue.

- a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

### **Basis of Allotment**

Allotment will be made in consultation with NSE (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:

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).

For applications where the proportionate allotment works out to less than 4000 equity shares the allotment will be made as follows:

Each successful applicant shall be allotted 4000 equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 4000 equity shares subject to a minimum allotment of 4000 equity shares.

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.

Since present Issue is a Book Built 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) not less than thirty-five per cent. to retail individual investors;*
- b) not less than fifteen per cent. to non-institutional investors;*
- c) not more than fifty per cent. to qualified institutional buyers, five per cent. of which shall be allocated to mutual funds:*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category:*

*Provided further that in addition to five per cent. allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

In case the aggregate demand in this category is greater than 4000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 4000 Equity Shares and in multiples of 4000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

Names of entities responsible for finalizing the **Basis of Allotment** in the event of Under Subscription

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

### **Undertakings by Our Company**

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of closure of the Issue;
- That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That our Promoter's contribution in full has already been brought in;
- That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Red Herring Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and That if the Company withdraws 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 Issuer;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and that none of the promoter or directors of the company is wilful defaulter or Fraudulent Borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- a) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- b) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and.
- d) Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- e) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- f) Our Company undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy from time to time and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The RBI issues Master Directions on Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions.

Under the current applicable FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is involved in the business of manufacturing. 100% foreign direct investment through automatic route is permitted in the sector in which our Company operates.

At Present, the FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 has been superseded by FEMA (Non -Debt Instruments) Rules, 2019 dated October 17, 2019 (FEMA Non-Debt Rules). The sectoral cap given in the FEMA Non-Debt Rules shall come into effect from April 01, 2020.

As per the extant policy of the Government of India, OCBs cannot participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation. An erstwhile OCB may transfer equity instruments subject to the directions issued by the Reserve Bank of India from time to time in this regard. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines.

## **Investment conditions/restrictions for overseas entities**

The maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, Foreign Portfolio Investors (FPIs), Non-Resident Indian (NRI)/ Overseas Citizen of India (OCI), Limited Liability Partnerships (LLPs), Foreign Venture Capital Investor (FVCI), Investment Vehicles and Depository Receipts (DRs) under Schedule I, II, III, VI, VII, VIII and IX of the FEMA Non Debt Rules. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the sectoral cap.

- **Investment by FPIs under Portfolio Investment Scheme (PIS):**

Aggregate FPI up to 49% of the paid up capital on a fully diluted basis or the sectoral or statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in the transfer of ownership or control to persons resident outside India and other investments by a person resident outside India shall be subject to the conditions of Government approval and compliance of sectoral conditions as laid down in the FEMA Non Debt Rules.

Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy 2020 till the time the new sectoral cap as mentioned in the FEMA Non-Debt Rules comes into effect. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

With regards to purchase/sale of equity instruments of an Indian company by an FPI under PIS, the total holding by each FPI or an investor group shall be less than 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 % and 24 % will be called the individual and aggregate limit, respectively.

With effect from the April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FEMA Non-Debt Rules, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid up value of each series of debentures or preference shares or share warrants.

The aggregate limit as provided in sub-paragraph (b) of paragraph 3 of Schedule I may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively before March 31, 2020. Further, the Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively. Also, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold. The aggregate limit with respect to an Indian company in a sector where FDI is prohibited shall be 24%.

- **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity instruments as defined under the FEMA Non-Debt Rules of a listed Indian company on repatriation basis on a recognized stock exchange in India by NRI or OCI is allowed subject to certain conditions under Schedule III of the FEMA Non-Debt Rules that is:

The total holding by any individual NRI or OCI shall not exceed 5 % of the total paid-up equity capital

on a fully diluted basis or should not exceed 5 % of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 % of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the general body of the Indian company.

- **Investment by NRI or OCI on non-repatriation basis**

The Schedule IV of the FEMA Non-Debt Rules deals with Purchase/ sale of equity Instruments or convertible notes or units or contribution to the capital of the LLP by a NRI or OCI on non-repatriation basis. It shall be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions by RBI.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no issue to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such issue made under exemptions available under the Prospectus Directive, provided that no such issue shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead 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 Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

**SECTION X-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**ARTICLES OF ASSOCIATION (AOA)**

**OF**

**MONO PHARMACARE LIMITED**

**COMPANY LIMITED BY SHARES**

India Non-Government Company Having Share Capital

Incorporated under the Companies Act, 2013

*The following regulations comprised in these Articles of Association were adopted pursuant to Special Resolution passed at the Extra Ordinary General Meeting of the Company held on March 22, 2023 in substitution for, and to the entire exclusion of, the earlier regulations comprised on the extant Articles of Association of the Company.*

Article No.	Sub Article No.	Sub Heading
<b>I. INTERPRETATION</b>		
I.	(1)	The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.
	(2)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.
	(3)	<p>In these Articles:</p> <p>(a) "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.</p> <p>(b) "Articles" means these articles of association of the Company or as altered from time to time.</p> <p>(c) "Board of Directors" or "Board", means the collective body of the directors of the Company.</p> <p>(d) "Company" means "<b>Mono Pharmacare Limited</b>"</p> <p>(e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.</p> <p>(f) "Seal" means the common seal of the Company.</p>

Article No.	Sub Article No.	Sub Heading
	(4)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
	(5)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.
<b>II. SHARE CAPITAL AND VARIATION OF RIGHTS</b>		
1		<p><b>a.</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 Board 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.</p> <p><b>b.</b> The option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.</p>
2		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.
3		<p>The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:</p> <p>(a) Equity Share Capital:</p> <p>(i) with voting rights; and / or</p> <p>(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and</p> <p>(b) Preference Share Capital.</p>
4	(1)	<p>Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.</p>
	(2)	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
	(3)	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.
5		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 dematerialised state

Article No.	Sub Article No.	Sub Heading
		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.
6	(1)	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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.
	(2)	The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
7	(1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, 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 the Act and the Rules.
	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.
	(3)	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.
	(4)	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 the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.
	(5)	To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.
	(6)	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 <i>pari passu</i> therewith.
	(7)	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.
8	(1)	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to -

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
		(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.
	(2)	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.
<b>LIEN</b>		
9	(1)	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 member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
	(2)	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.
10		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 to the person entitled thereto by reason of his death or insolvency.
11	(1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
	(4)	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 with reference to the sale.
12	(1)	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.
	(2)	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.

Article No.	Sub Article No.	Sub Heading
	(3)	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 recognise 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.
	(4)	The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>CALLS ON SHARES</b>		
13	(1)	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.
	(2)	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.
	(3)	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
	(4)	A call may be revoked or postponed at the discretion of the Board.
14		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.
15		The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16	(1)	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 percent per annum or at such lower rate, if any, as the Board may determine.
	(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.
17	(1)	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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
	(2)	In case of non-payment of such sum, all the relevant provisions of these Articles 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.

Article No.	Sub Article No.	Sub Heading
18	(1)	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 as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
	(2)	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.
	(3)	All calls shall be made on a uniform basis on all shares falling under the same class. <i>Explanation:</i> Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
	(4)	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.
	(5)	The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including Debentures of the Company.
<b>TRANSFER OF SHARES</b>		
19	(1)	The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
	(2)	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.
20		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.
21		In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless - (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; (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.

Article No.	Sub Article No.	Sub Heading
22	(1)	On giving of previous notice of at least seven days or such lesser period in accordance with the Act 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.
	(2)	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>TRANSMISSION OF SHARES</b>		
23	(1)	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.
	(2)	Nothing in clause (1) 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.
24	(1)	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.
	(2)	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.
	(3)	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.
25	(1)	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.
	(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
	(3)	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.
26		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

Article No.	Sub Article No.	Sub Heading
		<p>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:</p> <p>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.</p>
27		<p>The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other Securities including debentures of the Company.</p>
<b>FORFEITURE OF SHARES</b>		
28		<p>If a member fails to pay any call, or instalment of a call or any money due in respect of any share, 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 or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.</p>
29		<p>The notice aforesaid shall:</p> <p>(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</p> <p>(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.</p>
30		<p>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.</p>
31	(1)	<p>Neither the receipt by the Company for 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.</p>
	(2)	<p>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.</p>

Article No.	Sub Article No.	Sub Heading
	(3)	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.
	(4)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. Forfeited shares may be sold, etc.
	(5)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
32	(1)	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, and shall 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.
	(2)	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 realisation. 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.
	(3)	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.
33	(1)	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;
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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;
	(3)	The transferee shall thereupon be registered as the holder of the share; and
	(4)	The transferee shall not be bound to see to the application 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, re-allotment or disposal of the share.
34	(1)	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.
	(2)	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

Article No.	Sub Article No.	Sub Heading
		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.
	(3)	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
	(4)	The provisions of these Articles 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
		a. The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
		b. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.
<b>ALTERATION OF CAPITAL</b>		
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 the Act, the Company may, by Ordinary Resolution - (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (e) 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	(1)	Where shares are converted into stock- 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;
	(2)	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

Article No.	Sub Article No.	Sub Heading
		amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
	(3)	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	(1)	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, — (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.
	(2)	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:
	(3)	The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
	(4)	On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized 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.
	(5)	Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
	(6)	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.
	(7)	(i) 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 that 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. ii) 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.
	(8)	The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names.
<b>CAPITALISATION OF PROFITS</b>		

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
39	(1)	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 (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
	(2)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, 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 or other securities 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).
	(3)	A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
	(4)	The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
40	(1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall - (a) make all appropriations and applications of the undivided profits resolved to be 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.
	(2)	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 or other securities 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.
	(3)	Any agreement made under such authority shall be effective and binding on such members.
<b>BUY-BACK OF SHARES</b>		
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

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
		or any other law for the time being in force, the company may purchase its own shares or other specified securities.
<b>GENERAL MEETINGS</b>		
42		All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.
43		The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
<b>PROCEEDINGS AT GENERAL MEETINGS</b>		
44	(1)	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.
	(2)	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
	(3)	The quorum for a general meeting shall be as provided in the Act.
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.
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.
48	(1)	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.
	(2)	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 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.
	(3)	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.
	(4)	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.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
	(5)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
	(6)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
	(7)	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.
	(8)	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 in 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.
<b>ADJOURNMENT OF MEETING</b>		
49	(1)	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.
	(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
	(3)	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.
	(4)	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.
<b>VOTING RIGHTS</b>		
50		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.
51		A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
52	(1)	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.
	(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
53	(1)	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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
	(2)	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
54		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
55		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 or in regard to which the Company has exercised any right of lien.
56	(1)	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
	(2)	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.
<b>PROXY</b>		
57	(1)	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.
	(2)	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, and in default the instrument of proxy shall not be treated as valid.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
58		An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59	(1)	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:
	(2)	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.
<b>BOARD OF DIRECTORS</b>		
60		Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).
	(1)	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.
	(2)	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.
61	(1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
	(2)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.
	(3)	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.
62		The Board may pay all expenses incurred in getting up and registering the company.
63		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.
64		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

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
		person and in such manner as the Board shall from time to time by resolution determine.
65		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.
66	(1)	Subject to the provisions of the Act, 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.
	(2)	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.
	(3)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
	(4)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
	(5)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.
	(6)	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.
	(7)	The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.
	(8)	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.
<b>PROCEEDINGS OF THE BOARD</b>		
67	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
	(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
	(3)	The quorum for a Board meeting shall be as provided in the Act.
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
68	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
	(2)	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	(1)	The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
	(2)	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	(1)	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.
	(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
72	(1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
73	(1)	A Committee may meet and adjourn as it thinks fit.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
	(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.
	(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.
74		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.
75		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.
76		In case of a One Person Company— i. where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118; ii. such minutes book shall be signed and dated by the director; iii. the resolution shall become effective from the date of signing such minutes by the director.
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
77	(1)	Subject to the provisions of the Act, — A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
	(2)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
	(3)	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers 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.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
	(4)	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.
	(5)	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.
78		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.
<b>THE SEAL</b>		
79	(1)	The Board shall provide for the safe custody of the seal.
	(2)	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 one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.
<b>DIVIDENDS AND RESERVE</b>		
80		The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.
81		Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.
82	(1)	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 applied 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.
	(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
83	(1)	Subject to the rights of persons, if any, entitle 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

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
		long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
	(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.
	(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
84	(1)	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.
	(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
85	(1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.
	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
86		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.
87		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.
88	(1)	No dividend shall bear interest against the Company.
	(2)	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.
<b>ACCOUNTS</b>		
89	(1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.

<b>Article No.</b>	<b>Sub Article No.</b>	<b>Sub Heading</b>
	(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.
90	(1)	Subject to the applicable provisions of the Act and the Rules made there under –  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.  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.
	(2)	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.
<b>INDEMNITY</b>		
91	(1)	Subject to the provisions of the Act, every director, managing director, whole-time 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, 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, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
	(2)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
	(3)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
<b>OTHERS</b>		
92		Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this 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 laws.

#### Material Contracts:

- 1) Issue Agreement dated April 11, 2023, between our Company and BRLM.
- 2) Registrar Agreement dated March 28, 2023, between our Company and the Registrar to the Issue.
- 3) Public Issue Account and Sponsor Bank agreement dated August 22, 2023 amongst our Company, the Registrar to the Issue, the BRLM, Syndicate Member.
- 4) Syndicate agreement dated August 16, 2023 entered into amongst our Company, BRLM and the Syndicate Member.
- 5) Underwriting Agreement dated August 16, 2023 between our Company the BRLM and Underwriter.
- 6) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated January 24, 2023
- 7) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated January 16, 2023
- 8) Market Making Agreement dated August 16, 2023 between our Company, BRLM and Market Maker.

#### Material Documents

- 1) Certified true copy of Certificate of Incorporation, Memorandum and Articles of Association of our Company as amended from time to time;
- 2) Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on March 21, 2023, and March 22, 2023, respectively;
- 3) Resolution of the Board of Directors of our Company dated April 11, 2023 approving the Draft Red Herring Prospectus and amendments thereto.
- 4) Resolution of the Board of Directors of our Company dated August 22, 2023 approving the Red Herring Prospectus and amendments thereto.
- 5) Resolution of the Board of Directors of our Company dated September 01, 2023 approving the Prospectus and amendments thereto.
- 6) Copies of the tax audit report of our Company for the financial year ended March 31, 2022, 2021

and 2020;

- 7) Agreement dated March 22, 2023 entered into by our Company with Panilam Lakhatariya appointment as a Managing Director of the company;
- 8) Consent dated March 31, 2023 from the peer review auditor, Kumbhat & Co., Chartered Accountants, to include their name as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) Restated Financial Statements and their examination report, (ii) Restated Consolidated Financial Statements and their examination report (iii) the statement of Possible tax benefits included in this RHP and such consent has not been withdrawn as on the date of this RHP.
- 9) Consents of Promoter, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company, Banker to the Issue, Legal Advisor to the Issue, Book Running Lead Manager, Registrar to the Issue, the Syndicate Members, the Escrow Collection Bank(s), Market Maker, Underwriter and Bankers to the Issue/Public Issue Bank/Refund Banker and Sponsor Banker to act in their respective capacities;
- 10) Business Takeover Agreement dated December 15, 2022, executed between Mono Pharmacare Limited and M/s DLS Export.
- 11) Deed of admission dated January 10, 2023, of Ahmedabad Medical Corporation and Supal Distributors LLP.
- 12) Business Takeover Agreement dated December 15, 2022, executed between Mono Pharmacare Limited and M/s DLS Export.
- 13) Certificate of the Statutory Auditors, M/s. Kumbhat & Co., Chartered Accountants dated August 21, 2023 verifying the key performance indicators (KPI).
- 14) Due Diligence Certificate from Book Running Lead Manager dated April 11, 2023 addressed to SEBI from the BRLM.
- 15) Copy of In- Principle Approval from NSE by way of letter dated June 09, 2023, to use the name of NSE in this issue document for listing of Equity Shares on NSE EMERGE (SME Platform of The National Stock Exchange of India Limited).

Any of the contracts or documents mentioned in this 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 relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

### **SIGNED BY THE MANAGING DIRECTOR**

**Sd/-**  
**Panilam Lakhatariya**  
**Managing Director**

**Place:** Ahemdabad

**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

### **SIGNED BY THE EXECUTIVE DIRECTOR**

**Sd/-**  
**Supal Lakhatariya**  
**Executive Director**

**Place:** Ahemdabad  
**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

### **SIGNED BY THE EXECUTIVE DIRECTOR**

**Sd/-**  
**Archit Shah**  
**Executive Director**

**Place:** Ahemdabad  
**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

### **SIGNED BY THE NON-EXECUTIVE DIRECTOR**

**Sd/-**

**Mitul Sapara**

**Non - Executive Director**

**Place:** Ahemdabad

**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR**

**Sd/-**  
**Gaurang Vora**  
**Non – Executive Independent Director**

**Place:** Ahmedabad

**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

**SIGNED BY THE NON-EXECUTIVE INDEPENDENT DIRECTOR**

**Sd/-**  
**Chintan Trivedi**  
**Non – Executive Independent Director**

**Place:** Surat

**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER**

**Sd/-**  
**Neha Prajapati**  
**Chief Financial Officer**

**Place:** Ahmedabad  
**Date:** September 01, 2023

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. I further certify that all disclosures made in this Prospectus are true and correct.

**SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Sd/-**  
**Krupali Thakkar**  
**Company Secretary and Compliance Officer**

**Place:** Gurugram  
**Date:** September 01, 2023