(Please scan this QR Code to view this Draft Red Herring Prospectus)

DRAFT RED HERRING PROSPECTUS
Dated: February 20, 2025
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

ANLON HEALTHCARE LIMITED
Corporate Identity Number: U24230GJ2013PLC077543

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
101/102, Silvercoin Complex, Opp. Crystal Mall, Kalawad Road, Rajkot – 360 005, Gujarat, India	Amita Chhaganbhai Pragada *Company Secretary and Compliance Officer*	**E-mail**: cs@anloncro.com **Telephone**: +91 281 2562538/39	www.anlon.in

OUR PROMOTERS: PUNITKUMAR R. RASADIA, MEET ATULKUMAR VACHHANI AND MAMATA PUNITKUMAR RASADIA

DETAILS OF THE PUBLIC ISSUE

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Fresh Issue of up to 1,40,00,000 Equity Shares aggregating up to ₹[●] Lakh	Not Applicable	Up to ₹[●] Lakh	This Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For details, see "***Other Regulatory and Statutory Disclosures – Eligibility for the Issue***" on page 306. For details in relation to share reservation amongst Qualified Institutional Buyers, Non-Institutional Bidders and Retail Individual Bidders, see "***Issue Structure***" on page 323 .

RISKS 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. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with the SEBI ICDR Regulations) and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "***Basis for the Issue Price***" on page 128, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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 the 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 32.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on BSE Limited ("**BSE"**) and the National Stock Exchange of India Limited **("NSE")**. For the purpose of the Issue, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

Interactive Financial Services Limited	Contact Person	Telephone and Email
	Jaini Jain	**Telephone**: +91 079-4908 8019 **Mobile**: +91 98980 55647 **E-mail**: mbd@ifinservices.in

REGISTRAR TO THE ISSUE

KFin Technologies Limited	Contact Person	Telephone and Email
	M. Murali Krishna	**Telephone:** +91 40 6716 2222 / 1800 309 4001 **E-mail**: ahl.ipo@kfintech.com

BID/ ISSUE PERIOD

ANCHOR INVESTOR BID/ ISSUE PERIOD	[●]*	BID/ ISSUE OPENS ON	[●]**	BID/ ISSUE CLOSES ON	[●]**#

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

***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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

DRAFT RED HERRING PROSPECTUS
Dated: February 20, 2025
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

ANLON HEALTHCARE LIMITED

Our Company was originally incorporated as 'Anlon Ventures Private Limited', a private limited company under the erstwhile Companies Act, 2013, pursuant to a certificate of incorporation dated November 19, 2013 issued by the RoC. The name of our Company was changed from 'Anlon Ventures Private Limited' to 'Anlon Healthcare Private Limited' and a fresh certificate of incorporation dated May 27, 2015 was issued by the RoC. Our Company was subsequently converted to a public limited company and the name of our Company was changed from 'Anlon Healthcare Private Limited' to 'Anlon Healthcare Limited' and a fresh certificate of incorporation dated September 02, 2024, was issued by the RoC. For details of change in the name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 216.

Corporate Identity Number: U24230GJ2013PLC077543
Registered Office: 101/102, Silvercoin Complex, Opp.Crystal Mall, Kalawad Road
Rajkot – 360 005, Gujarat, India
Contact Person: Amita Chhaganbhai Pragada, Company Secretary and Compliance Officer; **Telephone**: +91 281 2562538/39
E-mail: cs@anloncro.com; **Website**: www.anlon.in

OUR PROMOTERS: PUNITKUMAR R. RASADIA, MEET ATULKUMAR VACHHANI AND MAMATA PUNITKUMAR RASADIA

INITIAL PUBLIC OFFERING OF UP TO 1,40,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF ANLON HEALTHCARE LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹[●] LAKHS ("THE ISSUE"). THE ISSUE WILL CONSTITUTE [●]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE ISSUE PRICE IS [●] 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 EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED GUJARATI DAILY NEWSPAPER, GUJARATI BEING THE REGIONAL LANGUAGE OF GUJARAT, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 (ten) 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 1 (one) Working Day, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations. 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 through the Book Building Process in terms of Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**" and such portion, the "**QIB Portion**"), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary -basis as decided by our Company in consultation with the BRLM, in accordance with the SEBI ICDR Regulations (the "**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of undersubscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received at or above the Issue Price and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders ("**NIBs**") of which (a) one-third portion shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs; and (b) two-thirds portion shall be reserved for applicants with application size of more than ₹10.00 Lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further not more than 10% of the Net Issue shall be available for allocation to Retail Individual Bidders ("**RIB**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders (except Anchor Investors) are mandatorily required to utilise the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA Process. For further details, see "***Issue Procedure***" on page 326.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Issue Price, Floor Price, Cap Price and Price Band (as determined by our Company in consultation with the Book Running Lead Manager) in accordance with SEBI ICDR Regulations by way of the Book Building Process, as stated in "***Basis for Issue Price***" on page 128 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 nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issuer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 32.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters each dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "***Material Contracts and Documents for Inspection***" on page 382.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
Interactive Financial Services Limited Office No. 508, Fifth Floor Priviera, Nehru Nagar Ahmedabad - 380 015, Gujarat, India **Tel**: +91 079-4908 8019 / +91 98980 55647 **Email:** mbd@ifinservices.in **Investor Grievance Email:** info@ifinservices.in **Website**: www.ifinservices.in **Contact Person:** Jaini Jain **SEBI Registration No**: INM000012856	**KFin Technologies Limited** Selenium, Tower-B, Plot No- 31 and 32, Financial District Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India **Telephone:** +91 40 6716 2222 / 1800 309 4001 **Email:** ahl.ipo@kfintech.com **Investor grievance email:** einward.ris@kfintech.com **Contact person:** M Murali Krishna **Website:** www.kfintech.com **SEBI Registration no.:** INR000000221

ANCHOR INVESTOR BID/ ISSUE PERIOD	[●]*	**BID/ ISSUE OPENS ON**	[●]**	**BID/ ISSUE CLOSES ON**	[●]**#

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

***Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1(one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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

TABLE OF CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, Act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, Act or regulation, as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Further, the Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

Notwithstanding the foregoing, terms used in ***"Basis for Issue Price"****,* ***"Statement of Possible Special Tax Benefits"****,* ***"Industry Overview"****,* ***"Our Business"****,* ***"Key Regulations and Policies in India"****,* ***"Restated Financial Statement"****,* ***"Outstanding Litigations and Material Developments"*** *and "****Description of Equity Shares and Terms of Articles of Association****" on pages 128*, 135, 138, 183, 209, 242, 297 and 347 *respectively, shall have the meaning ascribed to such terms in those respective sections.*

General Terms

Term	Description
"Company" or "our Company" or "the Company" or "the Issuer" or "we" or "us" or "our" or "Anlon" or "Anlon Healthcare" "AHL"	Unless the context otherwise indicates or implies, refers to Anlon Healthcare Limited, a public limited company incorporated under the provision of Companies Act, 1956, having its registered office at 101/102 – Silver Coin Complex, Opp. Crystal Mall, Kalawad Road, Rajkot – 360 005, Gujarat, India.
"you", "your" or "yours"	Prospective Investors/Bidder in this Issue.

Company Related Terms

Term	Description
"Articles of Association" or "AoA"	Articles of association of our Company, as amended from time to time.
"Audit Committee"	The Audit Committee of our Board, as described in "***Our Management – Board Committees – Audit Committee***" on page 226.
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, M/s Kaushal Dave & Associates, Chartered Accountants
"Board or "Board of Directors" or "our Board"	The Board of Directors of our Company unless otherwise specified or any committee constituted thereof.
"Chairman"	Chairman of our Board, being Punitkumar R. Rasadia, as described in "***Our Management – Board of Directors***" on page 220.
"Chief Financial Officer" or "CFO"	The Chief Financial Officer of our Company, being Hitesh Bavanjibhai Makwana.
"Company Secretary and Compliance Officer"	The Company Secretary and Compliance Officer of our Company, being Amita Chhaganbhai Pragada
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate Social Responsibility committee of our Board, as described in "***Our Management – Board Committees - Corporate Social Responsibility Committee***" on page 228.
"Director(s)"	The directors on our Board. For details see, "***Our Management***" on page

Term	Description
	220.
"Equity Shares"	The equity shares of our Company of face value of ₹10 each, unless otherwise specified in the context thereof.
"Executive Director" or "Whole-Time Director"	The Whole-Time Director of our Company, being Meet Atulkumar Vachhani, as described in "***Our Management – Board of Directors***" on page 220
"Independent Director(s) / Non-Executive Independent Director(s)"	Independent Directors on our Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "***Our Management***" on page 220.
"ISIN"	International Securities Identification Number, being INE0Y8W01017.
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 231.
"KPIs"	Key Performance Indicators
"Managing Director" or "MD"	The managing director of our Company, being Punitkumar R. Rasadia
"Materiality Policy"	The policy adopted by our Board pursuant to its resolution dated August 26, 2024 for identification of: (a) material outstanding litigations; and (b) material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
"MOA" or "Memorandum" or "Memorandum of Association" or "MoA"	The Memorandum of Association of our Company, as amended from time to time.
"Nomination and Remuneration Committee"	The nomination and remuneration committee of our Board, as described in "***Our Management – Board Committees – Nomination and Remuneration Committee***" on page 227.
"Non-Executive Director(s)"	A director not being an Executive Director of our Company, as described in "***Our Management – Board of Directors***" on page 220.
"Previous DRHP"	The draft red prospectus dated October 9, 2024 and December 26, 2024 filed by our Company with BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") with an objective of offering its equity shares to public and listing on the stock exchanges. The Previous DRHPs stands replaced in its entirety by this Draft Red Herring Prospectus dated February 20, 2025.
"Promoter(s)"	The Promoters of our Company, being Punitkumar R. Rasadia, Meet Atulkumar Vachhani and Mamata Punitkumar Rasadia as disclosed in "***Our Promoters and Promoter Group***" on page 235.
"Promoter Group"	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Our Promoters and Promoter Group***" on page 235. .
"Registered Office"	The registered office of our Company, situated at 101/102 – Silver Coin Complex, Opp. Crystal Mall, Kalawad Road, Rajkot – 360 005, Gujarat, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Ahmedabad.
"Restated Financial Statements" or "Restated Financial Information"	The restated financial statements of our Company, comprising the Restated Statement of Assets and Liabilities as at ten-month period ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, 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 and for the ten-month period ended January 31, 2025 and for the Fiscal 2024, Fiscal 2023, Fiscal 2022, and the Summary Statement of Significant

Term	Description
	Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time.For details, see "***Restated Financial Statements***" on page 242.
"Senior Management Personnel" or "SMPs"	Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in "***Our Management – Key Managerial Personnel and Senior Management***" on page 231.
"Shareholders" or "members"	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
"Stakeholders' Relationship Committee"	The stakeholders' relationship committee of our Board, as described in "***Our Management – Board Committees***" on page 225.
"Whole-time Director(s)"	Director(s) in the whole-time employment of our Company

Issue Related Terms

Term	Description
"Abridged Prospectus"	Abridged Prospectus means a memorandum containing salient features of a prospectus as may be specified by the SEBI in this behalf.
"Acknowledgement Slip"	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
"Allotment Advice"	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted.
"Anchor Investor"	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion with a minimum Bid of ₹1,000 lakhs in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus.
"Anchor Escrow Account(s)" or "Escrow Account(s)"	Account opened with Anchor Escrow Bank for the Issue and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid.
"Anchor Investor Allocation Price"	The price at which the Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company, in consultation with the BRLM, during the Anchor Investor Bidding Date.
"Anchor Investor Application Form"	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
"Anchor Investor Bid/Issue Period" or "Anchor Investor Bidding Date"	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
"Anchor Investor Issue Price"	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.

Term	Description
"Anchor Investor Pay-in Date"	With respect to the Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, a date not later than 2 (two) Working Days after the Bid/ Issue Closing Date.
"Anchor Investor Portion"	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the BRLM, to the Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders to make a Bid by authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI, 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 and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a UPI Bidder linked to a UPI ID, which will be blocked upon acceptance of a UPI Mandate Request made by UPI Bidders using the UPI Mechanism.
"ASBA Bid"	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
"ASBA Bidders"	All Bidders except Anchor Investors.
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.
"Banker(s) to the Issue"	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Issue Account Bank(s) and Sponsor Bank.
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue, as described in "***Issue Procedure***" on page 326.
"Bid"	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "Bidding" shall be construed accordingly.
"Bid Amount"	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Issue.
"Bid cum Application Form"	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus, including ASBA Form.
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
"Bid/Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be notified in all editions of [●], English national daily newspaper, in all editions of [●], Hindi national daily newspaper, and in all editions of [●], a Gujarati regional daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is located). In case of any revisions, the extended Bid/Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank.

Term	Description
	Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
"Bid/Issue Opening Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] which shall be notified in all editions of [●], a English national daily newspaper, [●], in all editions of [●], a Hindi national daily newspaper [●], and in all editions of [●], a Gujarati regional daily newspaper (Gujarati being the regional language of State of Gujarat, where our Registered Office is located). In case of any revision, the extended Bid/Issue Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).
"Bid/Issue Period"	Except in relation to the Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of 3 (three) Working Days. Our Company, in consultation with the BRLM, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.
"Bidder" or "Investor" or "Applicant"	Any prospective investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied and includes an Anchor Investor.
"Bidding Centres"	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
"Book Building Process"	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
"Book Running Lead Manager" or "BRLM"	The book running lead manager to the Issue, being Interactive Financial Services Limited, SEBI registered Category-I Merchant Banker.
"Broker Centers"	Broker centers of the Registered Brokers, where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Broker centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
"D&B India"	Dun & Bradstreet Information Services India Private Limited
"D&B Report"	Report titled "*Industry Report on Pharmaceutical Sector*" dated October 7, 2024 and amended on February 20, 2025, exclusively prepared by D&B India and, commissioned and paid for by our Company specifically in connection with the Issue, pursuant to an engagement letter dated September 12, 2024, which is available on the website of our Company at www.anlon.in.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period.
"Cap Price"	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price will not be finalized and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price.

Term	Description
"Cash Escrow and Sponsor Bank Agreement"	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the BRLM, the Syndicate Member, and the Bankers to the Issue for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, refund of the amounts collected from Bidders, on the terms and conditions thereof, in accordance with the UPI Circulars.
"Client ID"	Client identification number maintained with one of the Depositories in relation to dematerialised account.
"Collecting Depository Participant" or "CDP"	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of SEBI circular no. CIR /CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars and as per the list available on the websites of BSE and NSE.
"Controlling Branches"	Such branches of SCSBs which coordinate Bids under the Issue with the BRLM, the Registrar and the Stock Exchanges, a list of which is available on the website of SEBI at http://www.sebi.gov.in.
"Cut-off Price"	Issue Price, authorized by our Company, in consultation with the BRLM which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
"Demographic Details"	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, wherever applicable.
"Depository(ies)"	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996.
"Depository Participant" or "DP"	A depository participant as defined under the Depositories Act.
"Designated CDP Locations"	Such locations of the CDPs where Bidders submitted the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
"Designated Date"	The date on which the Escrow Collection Banks transfer funds from the Escrow Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, where made available, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
"Designated Intermediary(ies)"	In relation to ASBA Forms submitted by RIIs and NIIs with an application size of upto ₹5.00 Lakhs (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered

Term	Description
	Brokers, CDPs and CRTAs.
"Designated RTA Locations"	Such locations of the CRTAs/RTAs where Bidders can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"Designated SCSB Branches"	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Bid 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
"Designated Stock Exchange"	[●]
"DP ID"	DP ID Depository Participant's identity number.
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated February 20, 2025, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto.
"Eligible FPIs"	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices.
"Eligible NRI(s)"	A non-resident Indian, under Schedule 3 and Schedule 4 of the FEMA Non-Debt Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Draft Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
"Escrow Account(s)"	Account opened with the Escrow Collection Bank and in whose favor the Anchor Investors transferred money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid.
"Escrow Collection Bank(s)" or "Anchor Escrow Bank"	Banks which are clearing members and registered with SEBI as bankers to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Accounts will be opened, in this case being [●].
"First or Sole Bidder"	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, subject to any revision thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares.
"Fresh Issue"	The initial public offering of up to 1,40,00,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs. For information, see "***The Issue***" on page 71.
"Fraudulent Borrower"	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"Fugitive Economic Offender"	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
"General Information Document"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM.
"Issue"	The initial public offering of up to 1,40,00,000 Equity Shares of face value of ₹10 each

Term	Description
	for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Lakhs.
"Issue Agreement"	Agreement dated September 20, 2024 entered between our Company and the BRLM, pursuant to which certain arrangements have been agreed to in relation to the Issue.
"Issue Price"	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of this Draft Red Herring Prospectus. The Issue Price will be decided by our Company, in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of this Draft Red Herring Prospectus.
"Issue Proceeds"	The proceeds of the Issue, which shall be available to our Company. For details about use of the Issue Proceeds, see "***Objects of the Issue***" on page 106.
"Mobile Applications"	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
"Mutual Fund Portion"	5% of the Net QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
"Mutual Funds"	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
"Net Proceeds"	Proceeds of the Issue less the Issue related expenses. For further details about use of the Issuer Proceeds and the Issue related expenses, see "***Objects of the Issue***" on page 106.
"Net QIB Portion"	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
"Non-Institutional Portion"	The portion of the Net Issue being not more than 15% of the Net Issue consisting of [●]* Equity Shares, available for allocation to Non-Institutional Bidders, on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than ₹ 2.00 Lakhs subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹2.00 Lakhs and up to ₹10.00 Lakhs; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹10.00 Lakhs, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. **Subject to finalization of Basis of Allotment*
"Non-Institutional Investors" or "Non-Institutional Bidders" or "NIIs" or "NIBs"	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than 2.00 Lakhs (but not including NRIs other than Eligible NRIs).
"Non-Resident Indians" or "NRI(s)"	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
"OCB" or "Overseas Corporate Body(ies)"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
"Person(s)"	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability

Term	Description
	partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
"Price Band"	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band, and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/Issue Opening Date, in [●] editions of [●], an English national daily newspaper and [●] editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujarati daily newspaper, (Gujarati being the regional language of State of Gujarat, where our Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
"Pricing Date"	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
"Prospectus"	Prospectus dated [●] to be filed with the RoC for this Issue on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
"Public Issue Account"	Bank account opened with the Public Issue Account Bank under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and ASBA Accounts on the Designated Date.
"Public Issue Account Bank(s)"	Bank(s) which are a clearing member and registered with SEBI as a banker to an issue and with whom the Public Issue Account is opened for collection of Bid Amounts from Escrow Account and ASBA Account on the Designated Date, in this case being [●].
"QIB Category" or "QIB Portion"	The portion of the Net Issue (including the Anchor Investor Portion) being not less than 75% of the Net Issue consisting of [●]* Equity Shares which shall be available for allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). **Subject to finalization of Basis of Allotment*
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
"Red Herring Prospectus" or "RHP"	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares shall be Allotted and which was filed with the RoC at least 3 (three) Working Days before the Bid /Issue Opening Date and became the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto.
"Refund Account"	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
"Refund Bank"	The Banker to the Issue with whom the Refund Account has been opened, in this case being [●].
"Registered Brokers"	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and with the stock exchanges having nationwide terminals, other than the BRLM and the Syndicate Members and eligible to procure Bids in terms of circular number CIR / CFD / 14 / 2012 dated October 14, 2012, and other applicable circulars issued by SEBI.
"Registrar Agreement"	The agreement dated September 20, 2024 entered between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.

Term	Description
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and the UPI circular, as per the lists available on the websites of BSE and NSE
"Registrar to the Issue" or "Registrar"	KFin Technologies Limited
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Portion"	The portion of the Net Issue being not more than 10% of the Net Issue comprising of [●]* Equity Shares of ₹10 each 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. **Subject to finalization of Basis of Allotment.*
"Retail Individual Investors" or "RIIs" or "Retail Individual Bidders" or "RIBs"	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Issue was not more than ₹2.00 lakhs in any of the bidding options in the Issue (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs).
"Revision Form"	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB Category and Non-Institutional Investors bidding in the Non-Institutional Portion are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bids during Bid / Issue period and withdraw their Bids until Bid / Issue Closing Date.
"Self-Certified Syndicate Bank(s)" or "SCSB(s)"	(i) The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time. (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40. Applications through UPI in the Issue can be made only through the SCSBs mobile applications whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
"Specified Locations"	Bidding centers where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form.
"Specified Securities"	Specified securities in terms of Regulation 2(1)(eee) of the SEBI ICDR Regulations.
"Sponsor Bank"	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per

Term	Description
	the UPI Mechanism and carry out other responsibilities in terms of the UPI Circulars, in this case being [●].
"Stock Exchanges"	BSE Limited and National Stock Exchange of India Limited.
"Sub-Syndicate Members"	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
"Syndicate Agreement"	Agreement to be entered into among our Company, the Registrar to the Issue, the BRLM and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
"Syndicate Members"	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case [●]
"Syndicate or members of the Syndicate"	Together, the BRLM and the Syndicate Members.
"Systemically Important Non-Banking Financial Company"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
"Underwriters"	The BRLM and the Syndicate Members
"Underwriting Agreement"	The agreement to be entered between the Underwriters and our Company to be entered into on or after the Pricing Date but prior to filing of Prospectus.
"UPI"	Unified payments interface, which is an instant payment mechanism, developed by NPCI.
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹5.00 Lakhs in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agent. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5.00 Lakhs shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
"UPI Circulars"	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/ HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular

Term	Description
	with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
"UPI ID"	ID created on the UPI for single-window mobile payment system developed by the NPCI.
"UPI Mandate Request"	A request (intimating the UPI Bidders, by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Bank to authorize blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment.
"UPI Mechanism"	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Issue in accordance with the UPI Circulars to make as ABA bid in the Issue.
"Wilful Defaulter"	A wilful defaulter as defined in Regulation 2(1)(lll) of the SEBI ICDR Regulations.
"UPI PIN"	Password to authenticate UPI transaction.
"Working Day"	All days on which commercial banks in Gujarat, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Gujarat, India are open for business and the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI, including UPI Circulars

Business Related Terms

Term	Description
2-PPA	2-Phenylpropanoic acid
ANVISA, Brazil	Brazilian Health Regulatory Agency
API	Active Pharmaceutical Ingredients
ATFD	Agitated Thin Film Dryer
BMPPA	Bromomethyl Phenyl Propionic Acid
BP	British Pharmacopeia
CEBA	Cyanoethyl Benzoic Acid
CIF	Cost, Insurance and Freight
CPhI	Convention on Pharmaceutical Ingredients
DMF	Drug Master File
EHS	Environmental Health and Safety
EP	European Pharmacopoeia
ETP	Effluent Treatment Plant
FDF	Finished Dosage Formula
FEIO	Federation of Indian Export Organizations
FDF	Finished Dosage Formula
GMP	Good Manufacturing Practise
ICH 7 Guideline	Good manufacturing practice for active pharmaceutical ingredients – Scientific guideline

Term	Description
IP	Indian Pharmacopoeia
IT	Information Technology
JP	Japanese Pharmacopoeia
KEE	Ketoprofen Ethyl Ester
MCP	Methyl-2-oxocyclopentanecarboxylate
MEE	Multi-effect Evaporator
MT	Metric Tonne
MTPA	Million Tonnes Per Annum
NDA	Non-disclosures Agreement
NMPA, China	National Medical Products Administration, China
PLI	Production-Linked Incentive
PGVCL	Paschim Gujarat Vij Company Limited
PMDA, Japan	Pharmaceuticals and Medical Devices Agency, Japan
QA	Quality Assurance
QC	Quality Control
QEHS	Quality, Environment, Health and Safety
RA	Research Analyst
Sq. Mts/ sq.mts	Square Meters
USP	United States Pharmacopeia
ZLD	Zero Liquid Discharge

Technical / Industry related terms

Term	Description
BPPI	Bureau of Pharma PSUs of India
CAGR	Compound Annual Growth Rate
Capex	capital expenditure
CDSCO	Central Drugs Standard Control Organization
CIF	Common Infrastructure Facilities
CII	Confederation of Indian Industry
CMO	Contract Manufacturing Organizations
CPCB	Central Pollution Control Board
CPI	Consumer Price Index
DCGI	Drug Controller General of India
DGFT	Directorate General of Foreign Trade
DI	Drug Intermediates
ECLGS	Emergency Credit Linked Guarantee Scheme
ECLGS	Emergency Credit Linked Guarantee Scheme
EFTA	European Free Trade Association
GDP	Gross Domestic Product
GFCF	Gross fixed capital formation
GMR	Global Manufacturing Revenue
GVA	Gross Value Added
IIP	Index of Industrial Production

Term	Description
KSM	Key Starting Materials
MoEF&CC	Ministry of Environment, Forest and Climate Change
MOSPI	Ministry of Statistics & Programme Implementation
NDA	National Democratic Alliance
NPPA	National Pharmaceutical Pricing Authority
NSO	National Statistics Office
PFCE	Private Final Expenditure
PLI	Production Linked Incentive
PMABHIM	Pradhan Mantri Ayushman Bharat Health Infrastructure Mission
PMBJP	Pradhan Mantri Bhartiya Janaushadhi Pariyojana
RBI	Reserve Bank of India
SIP	State Implementation Agency
SPCB	State Pollution Control Boards
USFDA	United States Food and Drug Administration
WEO	World Economic Outlook
WPI	Wholesale Price Index

Conventional Terms / General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
Alternative Investment Funds / AIFs	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Arbitration Act	The Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting Standards as notified by Companies (Accounting Standards) Rules, 2016
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
CCI	Competition Commission of India
CIT	Commissioner of Income Tax
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act, 2013 or Companies Act	The Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from

Term	Description
	time to time
COPRA	The Consumer Protection Act, 1986
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
CSR	Corporate Social Responsibility
DDP	Delivered Duty Paid
Demat	Dematerialised
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
DP or Depository Participant	A depository participant as defined under the Depositories Act
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and the regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
FOB	Free On Board
Fiscal or Financial Year(s) or Fiscal Year or FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
EMI	Equated Monthly Investment
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI	Central Government / Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961

Term	Description
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee/ ₹	Indian Rupee, the official currency of the Republic of India
India	Republic of India
IPR	Intellectual Property Rights
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA/ Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
Mn/mn	Million
MSME	Micro, Small and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NAV	Net asset value
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE	Non-Resident External Accounts
NRO	Non-Resident Ordinary Accounts
NSDL	National Securities Depository Limited
MIM	Multi Investment Manager
P&L	Profit and loss account
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PFRDA	Pension Fund Regulatory and Development Authority
PIO	Person of India Origin
RBI	The Reserve Bank of India

Term	Description
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RoW	Rest of the World
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended
Stamp Act	The Indian Stamp Act, 1899
State Government	The Government of a State of India
TAN	Tax Deduction and Collection Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
TDS	Tax deducted at source
Trademarks Act	Trade Marks Act, 1999, as amended
UPI	Unified Payments Interface
USA / United States of America / U.S.	The United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UK	United Kingdom

Term	Description
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the SEBI VCF Regulations
Year/ calendar year	Unless context otherwise required, shall mean the twelve-month period ending December 31

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

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Red Herring Prospectus are to the Republic of India its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

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

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

In this Draft Red Herring Prospectus, for the purpose of restatement of financial information, the terms "we", "us", "our", "the Company", "our Company", "Issuer", "Issuer Company", unless the context otherwise indicates or implies, refers to "Anlon Healthcare Limited".

In this Draft Red Herring Prospectus, the terms "we", "us", "our", unless the context otherwise indicates or implies, refers to our Company.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lacs / Lakhs", the word "Crore" means "one hundred lakhs" and the word "billion (bn)" means "one hundred crores". In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Financial Data

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, as at the ten-month period ended January 31, 2025, Fiscals 2024, 2023 and 2022, comprising the restated statement of assets and liabilities as at the ten-month period ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, the restated statement of profit and loss and other comprehensive income, the restated statement of cash flows and restated statement of changes in equity for the ten-month period ended January 31, 2025 and for the Fiscals 2024, 2023 and 2022, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI, as amended from time to time.

The Restated Financial Statements as at the ten-month period ended January 31, 2025, Fiscals 2024, 2023 and 2022 are available on our website at *https://www.anlon.in/reports.php?subid=9&name=Annual-Reports*.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. Therefore, all references in this Draft Red Herring Prospectus to a particular Fiscal, Fiscal Year, Financial Year or FY, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS or any other accounting principles or standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, financial condition and cash flows may be substantially different. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, see "**Risk**

Factors – *Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition*" on page 66. Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in the Sections titled ***"Risk Factors", "Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on page 32, 183 and 283, respectively and elsewhere in this Draft Red Herring Prospectus, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to "**Rupees**", "**Rs.**", "**INR**" or "**₹**" are to Indian Rupees, the official currency of the Republic of India. All references to "**£**" or "**GBP**" are to Great Britain Pound, the official currency of the United Kingdom. All references to "**$**", "**US$**", "**USD**", "**U.S. $**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

All figures in decimals (including percentages) have been rounded off to one or two decimals, or to the nearest whole number. Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "Lakh" units. One Lakh represents 1,00,000. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than Lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Non-GAAP Financial Measures

Certain Non-GAAP Measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Gross Profit, Gross Profit Margin, PAT Margin, CAGR Net Asset Value per Equity Share, Return on Net worth, Net worth, EBIT, Capital Employed, Return on Capital Employed and others ("**Non-GAAP Measures**"), have been included in this Draft Red Herring Prospectus. We compute and disclose such Non-GAAP Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP financial measures are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP financial measures should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these Non-GAAP financial measures are not standardized terms, hence a direct comparison of these Non-GAAP financial measures between companies may not be possible. These Non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies and hence have limited usefulness as a comparative measure. For details, see ***"Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any***

standard methodology that is applicable across the industry in which we operate, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies" on page 64.

Industry and Market Data

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Pharmaceutical Sector" dated October 7, 2024 and amended on February 20, 2025 (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on September 12, 2024, which is available on the website of our Company at www.anlon.in and exclusively commissioned and paid for by us in connection with the Issue. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.anlon.in until the Bid/Issue Closing Date.*

Unless otherwise indicated, all financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year, refers to such information for the relevant year. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. Although the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. Further, industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in the Draft Red Herring Prospectus and the recipient must rely on its own examination and the terms of the transaction, as and when discussed. For risks in relation to the D&B Report, see ***"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks"*** *on page 58.*

Exchange Rates

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

(in ₹)

Currency	Exchange rate as on January 31, 2025*#	Exchange rate as on March 31, 2024*#	Exchange rate as on March 31, 2023*#	Exchange rate as on March 31, 2022*#
1 US$	86.64	83.37	82.22	75.81
1 GBP	107.62	105.29	101.87	99.55

**If the RBI reference rate is not available on a particular date due to a public holiday, exchange rate of the previous working day has been disclosed*

#Rounded off to two decimal places.

Source: www.fbil.org.in and www.fedai.org.in

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U. S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of each jurisdiction where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***are likely***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***project***", "***propose***", "***will***", "***seek to***", "***will continue***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute 'forward-looking statements'. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are 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. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/ or violence, regulations and taxes and changes in competition in the industries in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include but are not limited to, the following:

- We are subject to strict technical specifications, quality requirements, regular inspections and audits by our customers or their representatives. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our business, results of operations and financial condition, including cancellation of existing and future orders which may expose us to warranty claims.
- Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We derive majority of our revenue from the sale of our products to various segments of pharmaceutical Industry and any reduction in demand for our customer products, or if such products become obsolete due to a breakthrough in the development of alternate drugs, could have an adverse effect on our business.
- We derive a significant portion of our revenue from our operations in India. A reduction in demand for our products in domestic market could adversely affect our business, results of operations, financial conditions and cash flows.
- We operate out of a single Manufacturing Facility, located at Rajkot, Gujarat which exposes our operations to potential geographical concentration risks arising from local and regional factors which may adversely affect our operations and in turn our business, results of operations and cash flows.
- We have a limited operating history in manufacturing.
- We have a limited number of suppliers for our raw materials who are highly concentrated in the western region of India. Dependence on few suppliers for raw materials may require us to procure them from other suppliers at higher cost and cause operational interruptions and affect our delivery capacity leading to loss of production and under-utilization of capacity.
- Our Company has incurred losses in the recent past and in case we incur losses in the future, it will have an adverse impact on our business prospects.
- If final products containing our intermediates cause, or are perceived to cause, severe side effects, the sale of such products may decrease or may be banned, which may have an adverse effect on our revenues and profitability.
- Disruption in our relationships with third party distributors, changes in their business practices, their failure to meet payment schedules and provide timely and accurate information could adversely affect our business, operating cash flows and financial condition.

For details regarding factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Our***

Business" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 32, 183 and 283, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, the BRLM nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the BRLM will ensure that the Bidder in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Issue.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "***Risk Factors***", "***The Issue***", "***Capital Structure***", "***Objects of the Issue***", "***Industry Overview***", "***Our Business***", "***Restated Financial Statements***", "***Outstanding Litigation and Material Developments***", "***Issue Procedure***", and " ***Description of Equity Shares and Terms of the Articles of Association***" on pages 32, 71, 85, 106, 138, 183, 242, 297, 326 and 347, respectively.

Summary of Business

We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; and (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our products spans across the family of pharmaceutical intermediates, active pharmaceutical ingredients, nutraceutical APIs and ingredients for personal care and veterinary API. Our active pharmaceutical ingredient products are manufactured in accordance with Indian and international pharmacopeia standards such as IP, BP, EP, JP, USP.

Summary of Industry

India's strong position in generic drug manufacturing has been a major growth driver for the pharmaceutical industry. With patents expiring on several blockbuster drugs globally, Indian pharmaceutical companies have capitalized on the opportunity to produce and export cost-effective generic alternatives, boosting turnover. Between FY 2019 – FY 2024, annual turnover in the Indian Pharmaceutical Industry increased at a CAGR of 9.9%, growing from INR 2,585 Bn in FY 2019 to and estimated INR 4,142 Bn in FY 2024. Additionally, the pharma companies have been expanding their footprint in global markets. Strategic acquisitions, partnerships, and compliance with international quality standards have enabled Indian firms to increase their exports, thereby enhancing their revenue streams.

Names of our Promoters

Punitkumar R. Rasadia, Meet Atulkumar Vachhani and Mamata Punitkumar Rasadia are the Promoters of our Company.

Issue Size

The Issue comprises issue of up to 1,40,00,000* Equity Shares of ₹10 each aggregating up to ₹[●] lakhs. For further details, see "***The Issue***", "***Issue Structure***", and "***Issue Procedure***" on page 71, 323 and 326.

*_Subject to finalization of the Basis of Allotment. Number of Equity Shares may need to be adjusted for lot size upon determination of Issue Price._

Objects of the Issue

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

The details of the proceeds of the Issue are summarised in the table below:

Objects	**Amount *(₹ in lakhs)****
Gross Proceeds from the Issue	[●]
Less: Estimated Issue related expenses	[●]
Net Proceeds from the Issue (Net Proceeds)	[●]

* _To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with the RoC_

Utilization of Net Proceeds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

No.	Objects	Estimated Amount (*₹ in lakhs)*
1.	Funding capital expenditure requirements for the expansion of our Manufacturing Facility	3,071.95
2.	Full or part repayment and/or pre-payment of certain outstanding secured borrowing availed by our Company	500.00
3.	Funding the Working capital requirement	4,315.00
4.	General corporate purposes*	[●]
Total utilization of net proceeds		**[●]**

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue.*

For further details, see "***Objects of the Issue***" on page 106.

Aggregate Pre-Issue shareholding of our Promoter and Promoter Group

The aggregate Pre-Issue shareholding of our Promoter and Promoter Group as on the date of the Red Herring Prospectus, as a percentage of the Pre-Issue paid-up Equity Share capital of our Company is set out below:

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
Promoter			
1.	Punitkumar R. Rasadia	1,85,92,000	46.65
2.	Meet Atulkumar Vachhani	94,08,000	23.61
3.	Mamata Punitkumar Rasadia	-	-
Total (A)		**2,80,00,000**	**70.26**
Promoter Group			
1.	-	-	-
Total (B)		**-**	**-**
Total (A+B)		**2,80,00,000**	**70.26**

**Rounded off to the closes decimal*

For further details, see "***Capital Structure***" on page 85.

Summary of Restated Financial Statements

(₹ in *lakhs)*

Particulars	For the three-month period ended January 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Equity share capital	3985.15	1,600.00	1,200.00	1,200.00
Net worth	7186.45	2,103.14	737.43	155.43
Total revenue (including other Income)	7737.47	6,669.19	11,312.00	5,753.64
Profit/(loss) after tax	1196.08	965.71	582.00	(10.77)
Earnings per Equity Share	4.65	6.68	4.85	(0.09)
Net asset value per Share (in ₹)	18.03	14.55	6.15	1.30
Total borrowings (including current maturities of long-term borrowings)	6238.86	7,456.31	6,638.67	6,032.30

Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditor have not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Directors, and our Promoters as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in *lakhs)*

Nature of Cases	Number of outstanding cases	Amount Involved
Litigation involving our Company		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	1	NA*
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	13	241.98
Litigation involving our Directors (other than Promoters)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	1	1.66

**To the extent quantifiable.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors***" on page 297 and page 32 respectively.

Risk factors

A summary of risk factors based on operational and financial risk factors is provided below:

S. No.	Risk Category (Operational, Financial, Risk related to object of the offer, etc.)	Description of Risk (limited to 30 words)
1.	Operational	We are subject to strict technical specifications, quality requirements, regular inspections and audits by our customers or their representatives and any failure to comply with such specifications may lead loss of business.
2.	Operational and financial	Our revenue from operations is dependent upon a limited number of customers and the loss of revenue from or any of these customers could have a material adverse effect on our business, financial condition, etc.
3.	Operational and financial	We derive majority of our revenue from the sale of our products to various segments of pharmaceutical Industry and any reduction in demand for our customer products, or if such products become obsolete due to a breakthrough in the development of alternate drugs, could have an adverse effect on our business.
4.	Operational and financial	We derive a significant portion of our revenue from our operations in India.

S. No.	Risk Category (Operational, Financial, Risk related to object of the offer, etc.)	Description of Risk (limited to 30 words)
5.	Operational and financial	We operate out of a single Manufacturing Facility which exposes us to geographical concentration risks.
6.	Operational	We have a limited operating history in manufacturing
7.	Operational	We rely on a limited number of suppliers for our raw materials concentrated in the western region of India
8.	Operational	Our operations are dependent on continuous R&D to develop and commercialize new products.
9.	Financial	Our Company has incurred losses in the recent past and in case we incur losses in the future, it will have an adverse impact on our business prospects.
10.	Operational	If final products containing our intermediates cause, or are perceived to cause, severe side effects, the sale of such products may decrease and thud may have an adverse effect on our revenues and profitability.

For further details, see "***Risk Factors***" on page 32.

Summary of contingent liabilities

(₹ in *lakhs)*

Contingent Liabilities	As of January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2020	92.28	92.28	92.28	-
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2018	23.00	23.00	-	-

Note: The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FY 2019-20 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FY 2017-18 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
As of the balance sheet date, there was a contingent liability of Rs 113.24 Lacs arising from notices issued under Section 73 of the Goods & Services Tax Act. However, a drop order from the GST Department was received on February 17, 2025. In reporting this, we have considered it a 'Non-Adjusting Event' as defined in the applicable accounting standard. Consequently, the contingent liability related to this notice has been omitted from this clause.

For details, see "***Restated Financial Statements***" on page 242.

Summary of Related Party Transactions

(₹ *in lakhs*)

Details of transaction / Name of Transaction	Relation	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Directors Remuneration	Meet Atulkumar Vachhani (Whole Time Director)	11.67	14.00	13.00	12.00
	Punitkumar R. Rasadia (Managing Director)	23.33	28.00	26.00	24.00
Repayment of Unsecured Loans	Meet Atulkumar Vachhani (Whole Time Director)	239.19	995.99	151.50	122.30
	Punitkumar R. Rasadia	135.90	1,387.03	610.89	634.25

Details of transaction Name of Transaction	Relation	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	(Managing Director)				
Acceptance of Unsecured Loans	Meet Atulkumar Vachhani (Whole Time Director)	266.90	982.49	151.25	202.64
	Punitkumar R. Rasadia (Managing Director)	639.56			
Net Purchase of Goods	Anlon Chemical Research Organization	150.62	644.01	3,495.15	1,733.73
Net Sales of Goods	Anlon Chemical Research Organization	539.09	-	-	-
Advance to Supplier	Anlon Chemical Research Organization	-	-	130.69	-
Sales of Assets	Leo Corporation	320.45			
Right Issue of Equity Shares	Meet Vachhani (Whole Time Director)	336.00			
	67,20,000 Equity Share alloted to Meet Vachhani (Face Value INR 10 Paid Up Value INR 05)				
	672000 Equity Share alloted to Meet Vachhani (Face Value INR 10 Paid Up Value INR 10)		67.20		
	Punit Rasadia (Managing Director)	664.00			
	13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 05)				
	13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 10)		132.80		
Preferential allotment of equity shares	Meet Vachhani (Whole Time Director)	336.00			
	67,20,000 Equity Share alloted to Meet Vachhani Face Value INR 10 Paid Up Value INR 05)				
	Punit Rasadia (Managing Director)	664.00			
	13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 05)				
Balance Outstanding	Nature of Outstanding Balance				
Meet Vachhani (Whole Time	Unsecured Loans	204.37	176.65	190.16	178.20

Details of transaction Name of Transaction	Relation	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Director)					
Punit Rasadia (Managing Director)	Unsecured Loans	104.31	300.65	116.80	12.50
Anlon Chemical Research Organization	Sundry Creditors	-	13.33	127.45	-
Anlon Chemical Research Organization	Sundry Receivable	33.00	-	-	499.28
Leo Corporation	Amount Receivable for Sales of Assets	320.45			

For further details of the related party transactions and as reported in the Restated Financial Statements, see "***Restated Financial Statements***" on page 242.

Financing Arrangements

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the relevant financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the Equity Shares were acquired by our Promoters in the one year preceding the date of this Draft Red Herring Prospectus

Name of the Promoter	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (₹)
Punitkumar R. Rasadia	1,62,80,000	9.41
Meet Atulkumar Vachhani	77,20,000	9.56

**As certified by Statutory Auditor by way of their certificate dated February 17, 2025.*

Average Cost of Acquisition of Equity Shares by our Promoters

Name of the Promoter	Number of Equity Shares held	Average cost per Equity Share (₹)
Punitkumar R. Rasadia	1,85,92,000	10.46
Meet Atulkumar Vachhani	94,08,000	10.95

**As certified by Statutory Auditor by way of their certificate dated February 17, 2025 .*

Details of Pre-IPO Placement

Our Company has not undertaken any pre-IPO placement.

An Issue of equity shares for consideration other than cash in the last one year

Our Company has not made an issue of equity shares for consideration other than cash in the last one year.

Split/ Consolidation of equity shares in the last one year

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year as on the date of this Draft Red Herring Prospectus.

For further details pertaining to split of Equity Shares and other details, see "***Capital Structure***" on page 85.

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

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of this Draft Red Herring Prospectus.

SECTION II – RISK FACTOR

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

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Financial Statements prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with "**Our Business**" on page 183, "**Industry Overview**" on page 138 and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 283 as well as other financial information contained herein. For capitalized terms used but not defined herein, see "**Definitions and Abbreviation**" on page 1.*

Materiality:

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

- *Some risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative; and*
- *Some risks may not be material at present but may have a material impact in the future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this Section is derived from our financial statements under Ind AS, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see "**Forward-Looking Statements**" on page 23.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Pharmaceutical Sector**" dated October 7, 2024 and amended on February 20, 2025 prepared and issued by Dun & Bradstreet ("**D&B"**), which has been exclusively commissioned and paid for by our Company in connection with the Issue pursuant to an engagement letter dated September 12, 2024 (the "**D&B Report**"). D&B is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B is available on the website of our Company at www.anlon.in until the Bid/Issue Closing Date.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this Section. In making an investment decision, prospective investors must rely on their own examination of our Company and Subsidiary and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

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

*Unless the context otherwise requires, in this section, references to "**we**", "**us**", "**our**", "**our Company**" or "**the Company**", refer to Anlon Healthcare Limited.*

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

INTERNAL RISK FACTORS:

1. ***We are subject to strict technical specifications, quality requirements, regular inspections and audits by our customers or their representatives. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our business, results of operations and financial condition, including cancellation of existing and future orders which may expose us to warranty claims.***

As on the date of this Draft Red Herring Prospectus, our commercialized product portfolio consists of over sixty-five (65) products which spans across the family of Pharmaceutical Intermediates, Active Pharmaceutical Ingredients, Nutraceutical APIs, Personal Care Intermediates and Veterinary products. Our Products are required to be manufactured in accordance with pharmacopeia standards such as IP, BP, EP, JP, USP. In addition to the manufacturing of products in accordance with various domestic and international standards, we also undertake custom manufacturing of any chemical compound with complex or novel chemistry, as specified by our customers, having different purity levels than the prescribed industry standards. We also undertake API development, preparation and filing of regulatory DMF in the Indian and global markets as per the pharmacopeia requirements of our customers and regulatory agencies.

Our products and manufacturing processes are subject to stringent quality standards and specifications. Our Manufacturing Facility is ISO 9001:2015 compliant for its quality management system, and it also possesses a certification for Good Manufacturing Practice (GMP) and GMP-WHO. For details, see "***Government and Other Approvals***" and "***We are required to obtain, renew or maintain certain material statutory and regulatory permits and approvals required to operate our business, and if we fail to do so in a timely manner or at all, we may be unable to operate our business and our results of operations may be adversely affected***" on pages 301 and 49. Adherence to quality standards is a critical factor in our production process as any deviations from the required specifications by our Company or failure to comply with the technical specifications of our customers regarding the composition of chemicals, may lead to a recall of products or cancellation of the orders placed by our customers. Further, for any change in the product specifications, manufacturing process, manufacturing site, manufacturing method or raw material used, we may be required to inform or obtain prior consent from some of our customers. While we believe we undertake the necessary measures and engage internal and external experts to ensure that our facility comply with the applicable standards as imposed by our customers, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to cancellation of the order, loss of customers, loss of reputation and goodwill of our Company. Additionally, it could expose us to indemnity, warranty claims, monetary liability and/or litigation.

Our customers or their representative or regulatory authorities are typically provided with the right to audit our manufacturing facility, processes or systems, after providing a certain period of notice. Our customers have conducted thirty-three (33) audits on our manufacturing facility in the past. Further to these audits, our customers have issued certain major and minor observations and recommendations post which they approve us as their vendor. For instance, our Manufacturing Facility was recently audited and approved by Brazilian health Regulatory Agency and we received Brazilian Drug Master Files for the Loxoprofen Sodium Dihydrate with zero discrepancy. However, during the audit, certain observations and recommendation were issued for improvement on the facility and accordingly, our Company had to comply with the recommendation and observation for getting the approval from Brazilian health Regulatory Agency and due to which the facility was non-operational for almost four (4) months during FY 2023-24. The non-operation of our Manufacturing Facility for the said period adversely affected our results of operations and business cycle for such period. Any such event in the future may have an material adverse effect.

While, as of the date of this Draft Red Herring Prospectus, no customer has cancelled orders with us pursuant to an audit, there can be no assurance that such audits would not result in any adverse observations in the future or that our customers will necessarily engage us. The audit may involve inspection of, inter alia, our manufacturing facility and equipment, quality control procedures, review of the manufacturing processes and raw materials and packaging. Occurrence of any event on account of errors and omission could result in damage to our reputation and loss of customers, which could adversely affect our business, operations, our cash flows and financial condition. While in past three Fiscals, we have not received any complaints from our customers, we cannot assure you that we would not receive such complaints in the future as well.

If we fail to comply with applicable quality standards specified by our customers or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, within time or at all, our business, results of operations and financial conditions will be materially and adversely affected. The quality of our products is critical to the success of our business and depends on the effectiveness of our quality assurance system, which, in turn, depends on a number of factors, including the design of our facility, and the checks and balances implemented at stage of development/ manufacturing and testing processes in line with the current GMP guidelines. While other than incidents in the ordinary course of business, there has not been any failure or deterioration of quality systems in the past, any significant failure or deterioration of our quality system in future could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. As a result, our business, results of operations and financial condition could be materially and adversely affected.

Further, the products that we manufacture are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Although, we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our prescribed quality standards. Our quality control procedures may fail to identify all deviations in the specification of our manufactured products. While we have not faced such challenges in past, we may not be able to comply with the quality standards prescribed by relevant regulatory authorities in the future, which may adversely affect our business, financial condition, results of operations and prospects.

We also face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards or are alleged to result in harm to customers.

If we experience a product recall or are a party to a product liability case, we may incur considerable expense in litigation. Although we have not experienced any recall of our products in the past three Fiscals, we cannot assure you that this will not occur in the future. Any product recall, product liability claim, or adverse regulatory action may adversely affect our reputation and brand image, as well as entail significant costs in excess of available insurance coverage, which could adversely affect our reputation, business, results of operations and financial condition. Also, see "***Risk Factor – We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities could adversely affect our business, results of operations and financial condition***" on page 47.

2. ***Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We derive a significant portion of our revenue from key customers. The table below sets forth our revenue derived from our top ten (10) customers (the identities of which varied between the financial years) for the ten months period ending January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively and its percentage of revenue from operations.

(₹ in lakhs except for percentages)

Period	Revenue from operations	Revenue contribution of our top 10 customers	% Revenue contribution of our top 10 customers*
For ten months ended January 31, 2025	7,724.84	6,675.07	86.41%
Fiscal 2024	6,658.37	5,040.81	75.71%
Fiscal 2023	11,287.74	8,791.26	77.88%
Fiscal 2022	5,714.27	4,607.72	80.64%

**While more than 50% of our revenue from operations originates from our top 10 customers, our Company is unable to disclose the names of these customers due to reasons of confidentiality.*

The loss of any one or more of such key customers for any reason including due to failure to negotiate acceptable terms of purchase order, contract renewal, negotiations, disputes with customers, adverse change in the financial condition of such customers, including due to possible bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed customer requirements, or work stoppages could have an adverse effect on our business, results of operations and financial condition.

Further, the composition of revenue generated from these customers might change as we continue to add new customers in the normal course of business. Our revenues may be adversely affected if there is an adverse development with such customer, including as a result of a dispute with or our disqualification by such major customers, which may result in significant reduction in our orders from such customers, and thereby decline in our revenue, cash flows and liquidity. Furthermore, if our customers are able to fulfil their requirements through captive manufacturing, we may lose significant portion of our business and revenue.

Further, we do not enter into long term purchase agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales. While we believe that we have maintained good and long-standing relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them.

In addition to these factors, these key customers may also replace us with our competitors or replace their existing products with alternative products which we do not supply or could refuse to renew existing arrangements on terms acceptable to us or at all. While such events have not occurred in the past three Fiscals, there can be no assurance that any of these events may not occur in the future. We cannot assure you that we will be able to maintain historic levels of business from our key customers, or that we will be able to significantly reduce customer concentration in the future, all of which could have an impact on our business prospects and financial performance. For further details, see "***Risk Factors - We derive a significant portion of our revenue from our operations in India. A reduction in demand for our products in domestic market could adversely affect our business, results of operations, financial conditions and cash flows***" on page 36

3. ***We derive majority of our revenue from the sale of our products to various segments of pharmaceutical Industry and any reduction in demand for our customer products, or if such products become obsolete due to a breakthrough in the development of alternate drugs, could have an adverse effect on our business.***

Our products are used across various segments of the pharmaceutical industry. We derive our revenue from the sale of (i) high purity advance pharmaceutical intermediates which serves as raw material/ key starting material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) Active Pharmaceutical Ingredients which serves as a raw material for pharmaceutical formulations in preparation of various type of FDF such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our products find applications in following industry segments:

Industry Segment	Application of our Products
Active Pharmaceutical Ingredients	Pharmaceutical Ingredients serves as a key starting material or as an advance intermediate.
Finished Dosage Formulations	APIs serves as a raw material for preparation of various type of FDF like tablet, capsules, ointment, syrup, etc.
Nutraceuticals	APIs serves as a raw material for preparation of dietary supplements.
Personal Care Products	APIs serves as a raw material for preparation of personal care products, particularly piroctone olamine which is used in anti-dandruff products.
Animal health products	APIs serves as a raw material for preparation of various formulation for animal health medicine

The details of the revenue break-up for the product categories on the basis of application industries for ten (10) months period ending January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, are as set forth below:

(₹ in lakhs except for percentages)

Application / Industry segment	For ten months period ended January 31, 2025		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
API	2093.85	27.11%	3,234.01	48.57%	5,010.82	44.39%	1,926.75	33.55%
Finished Dosage formulation	4888.08	63.28%	2,934.31	44.07%	5,929.42	52.53%	3,675.30	64.00%
Nutraceutical	731.86	9.47%	461.56	6.93%	194.48	1.72%	-	-
Others (*Personal care and Veterinary*)	11.04	0.14%	28.49	0.43%	153.02	1.36%	140.56	2.45%
TOTAL	7724.83	**100%**	**6,658.37**	**100%**	**11,287.74**	**100%**	**5,742.61**	**100%**

The above detailed application industries are subject to various challenges. Any adverse effect on our pharmaceutical industries may adversely impact on our business prospects and financial performance.

Our Products i.e. pharma intermediates and the API cater to various pharma products serving various therapeutic areas such as Anti-inflammatory (NSAID), Antipyretic, Antihistamine, Analgesic, Nutrition, Antipsychotic, Antidepressant, Anticoagulant, etc. which may be subject to rapid innovative changes. For details, see "***Our Business***" on page 183. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of products in these therapeutic areas on account of breakthrough in the development or invention of alternate drugs or formulations, may expose us to the risk of our products being obsolete or being substituted to greater extent, by these alternatives, and any failure on our part to effectively address such situations or to successfully introduce new products in these therapeutic areas could adversely affect our business, results of operations, financial condition and cash flows.

4. ***We derive a significant portion of our revenue from our operations in India. A reduction in demand for our products in domestic market could adversely affect our business, results of operations, financial conditions and cash flows.***

We have historically derived a significant portion of our revenue from the domestic market. The table below sets out revenue from operations in the India and Export in absolute terms and as a percentage of total revenue from operations for the periods indicated below:

(₹ in lakhs except for percentages)

Geography	Fiscal 2025 (up to January 2025)		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
India (Domestic Sales)	7333.74	94.94%	5,997.25	90.07%	10,085.13	89.35%	4,768.14	83.44%
Overseas (Export Sales) including Merchant Export Sales	391.09	5.06%	661.13	9.93%	1,202.62	10.65%	946.13	16.56%
Revenue from Operations	7724.84	**100%**	**6,658.37**	**100.00%**	**11,287.74**	**100.00%**	**5,714.27**	**100.00%**

Our revenues from domestic market may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products, or the outbreak of an infectious disease such as COVID-19, etc. Our failure to effectively react to these situations could adversely affect our business, prospects, results of operations and financial condition.

Similarly, our international operations in export market are subject to risks which include complying with changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies. If we are unable to effectively address or comply with changes in foreign laws, or meet the conditions stipulated in our licenses, we may be subject to penalties and other regulatory actions, which could adversely affect our reputation, business, prospects, result of operations and financial condition. Also, see "***Risk Factors - Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows***" on page 34.

5. ***We operate out of a single Manufacturing Facility, located at Rajkot, Gujarat which exposes our operations to potential geographical concentration risks arising from local and regional factors which may adversely affect our operations and in turn our business, results of operations and cash flows.***

As on the date of this Draft Red Herring Prospectus, we are operating out of our Manufacturing Facility which is situated in Rajkot, Gujarat. For details, see "***Our Business - Manufacturing Facility***" on page 200. Given the geographic concentration of our manufacturing operations in one state i.e. Gujarat, our operations are susceptible to disruptions which may be caused by certain local and regional factors, including but not limited to political, economic and weather conditions, natural disasters, demographic factors, and other unforeseen events and circumstances. Apart from COVID-19 related operational restrictions, that were imposed on our facility, we have not experienced any material disruption at any of our existing manufacturing facility in the past. If any such disruptions occur, our operations may be affected leading to significant delays in the manufacturing and sale of our products which could materially and adversely affect our business, financial condition and results of operations. Also, see "***Risk Factor - Our Company has incurred losses in the recent past and in case we incur losses in the future, it will have an adverse impact on our business prospects***" on page 39.

6. ***We have a limited operating history in manufacturing.***

We have a limited operating history in manufacturing. Established in year 2013, we started our manufacturing operation from year 2017 onwards. Certain of our competitors may have a longer operating history and more experience to us in the businesses in which we operate. We may be unable to understand the nuances of the industry given our short operating history, particularly demand and supply trends and customer trends. In the event we fail to understand the market operations and risks in connection with such operations, it may have an adverse impact on our business, prospects, financial condition and results of operations. Further, due to our limited operating history, investors may not be able to evaluate our business, future prospects and viability. Also, see "***Risk Factor - We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects***" on page 47.

While we believe we have the necessary experience and strong customer relationships, our business and prospects must be evaluated in light of the risks and challenges associated with being a new entrant in manufacturing.

7. ***We rely on a limited number of suppliers for our raw materials who are highly concentrated in the western region of India. Dependence on few suppliers for raw materials may require us to procure them from other suppliers at higher cost and cause operational interruptions and affect our delivery capacity leading to loss of production and under-utilization of capacity.***

The success of our operations depends on, among other things, our ability to source raw materials at competitive prices. The principal raw materials we use to manufacture our products includes solvents, reagents, reactants, catalyst, etc. which are majorly procured from domestic vendors particularly from the state of Gujarat, on a purchase order basis. Raw materials are subject to supply disruptions and price volatility caused by various factors such as non-availability of the material, the quality and availability of raw materials, currency fluctuations, customer demand, changes in domestic as well as international government policies and regulatory sanctions.

We do not enter into any long-term contracts with our suppliers. We typically purchase raw materials on a purchase order basis. Consequently, the absence of any contracts subjects us to risks such as price volatility, unavailability of certain raw materials in the short term and failure to source critical raw materials in time, which would result in a delay in manufacturing of the final product. Further, we cannot assure you that we will be able to enter into any arrangement with suppliers on terms favourable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner, if at all, which may impact our business and profitability. Our suppliers may also be unable to provide us with sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products. While, we typically sell our products to our customers on a purchase order basis, given that we have long term relationships with many of our customers, our ability to pass on increases in the costs of raw materials and other inputs to our customers may be limited.

While we seek to purchase our raw materials from multiple suppliers on a purchase order basis, we purchase a significant portion of our raw materials from a few suppliers. The table set forth below are expenses incurred toward supply of raw material to our top 10 supplier;

(₹ in lakhs except for percentages)

Period	Total Purchase of Raw material and Consumable	Materials Purchase from top 10 Suppliers	Material Purchase from our top 10 suppliers (in %) to total purchase
For ten (10) months period ending January 31, 2025	5,602.24	5,031.27	89.81
Fiscal 2024	4,871.31	2,721.15	55.86
Fiscal 2023	8,843.06	4,054.11	45.85
Fiscal 2022	4,871.10	2,662.08	54.65

**Our Company is unable to disclose the names of these customers due to reasons of confidentiality.*

If we are unable to purchase the raw materials from such suppliers for any reason including due to cessation of operations by such suppliers, disputes with such suppliers, or if there is a substantial increase in the prices charged by such suppliers, there can be no assurance that we will be able to identify alternative suppliers for our raw materials at similar cost and other terms of purchase.

Further, any increase in raw material prices may result in corresponding increase in our product costs depending on the contractual terms. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to customers in an efficient, reliable, cost effective and timely manner, and adversely affect our business, results of operations and financial condition.

8. ***Our operations are dependent on continuous effort to develop and commercialize new products and our inability to identify and understand evolving industry trends, technological advancements, customer preferences and develop new products to meet our customers' demands may adversely affect our business.***

Our success depends significantly on our ability to commercialize our new products. In order to remain competitive, we must develop, test and manufacture new products, which must meet regulatory standards and receive requisite regulatory approvals. To accomplish this, we commit and endeavor to commit substantial effort and other resources towards our testing and development activities. As on date of this Draft Red herring Prospectus, we are supported by four (4) in-house laboratories to develop new products, process optimisation and test our products against the specified industry standards or customer specifications. Our laboratories Facility is equipped with the necessary facility to carry out tests required to develop and test our products. For details, see *"**Our Business - Testing, Quality Control and Quality Assurance** "* on page 204. During the ten months period ending January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we have incurred total expenditure aggregating to 116.67, ₹104.0 lakhs, ₹86.3 lakhs and ₹ 73.5 lakhs respectively towards testing and development and quality control measures.

The development of new or improved products can be a lengthy process, and delays, inability to obtain necessary regulatory approvals, or product failures can negatively impact the business, results of operations, cash flows, and financial condition. Additionally, competitors may commercialize similar products before the company, which could affect the success of testing and development activities and negatively impact business growth, results of operations, cash flows, and financial condition.

New products or enhancements to existing products cannot guarantee market acceptance. Technological advances and scientific discoveries can increase our expenses due to frequent product introductions and significant price competition. Some product development decisions may not meet expectations, leading to unprofitable investments. Additionally, ongoing investments in new product launches and testing and development for future products could result in higher costs without proportionate increases in revenues. We may be indirectly affected if a particular final end product is discontinued. The industry is constantly changing due to technological advances and scientific discoveries, and if current technologies become obsolete, the company's business and results of operations could be adversely affected. The cost of implementing new technologies and upgrading manufacturing facility could be significant and could adversely affect the business. Changes in market demand may also cause discontinuation of existing or planned development for new products. If we fails to make the right investments or make them at the right time, its business, reputation, and financial conditions could be materially and adversely affected.

If we are unable to continuously develop new products or optimise our processes, our ability to grow and, or, compete effectively, might be compromised, which would have an adverse impact on our business and financial condition.

With a view to augment our focus on testing and development, we intend to further develop the our laboratories and employ additional members dedicated to product development along with incurring additional expenses towards testing and development. For details, see "***Our Business*** " on page 183.

9. ***Our Company has incurred losses in the recent past and in case we incur losses in the future, it will have an adverse impact on our business prospects.***

We have in the past, and may in the future, experience losses. For instance, we incurred losses of ₹10.77 lakhs in Fiscal Years 2022 on account of Covid 19. We cannot assure you that we will attain profitability in the future. In the event we incur losses in the future, it will have an adverse impact on our business prospects. For further details, see "***Financial Information*** *" and* "***Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company***" on page 242 and 283 respectively.

10. ***If final products containing our intermediates cause, or are perceived to cause, severe side effects, the sale of such products may decrease or may be banned, which may have an adverse effect on our revenues and profitability.***

The API or pharmaceutical end product containing our intermediates may cause severe side effects as a result of number of factors, many of which may be outside our control. These factors may become evident only when such products are introduced into the marketplace and may include potential side effects which may not be revealed during clinical testing, for instance unusual severe side effects in isolated cases, defective products not detected by quality management or misuse of our products by pharmaceutical companies or the end-users. Considering that our Company's business is on a B2B model, once our Company completes the sale of its intermediates to the pharmaceutical companies, it has no control/ surveillance/ supervision on the manner in which any of such pharmaceutical companies utilizes our intermediates. Our products may also be perceived to cause severe side effects when a conclusive determination as to the cause of the severe side effect is not obtained or is unobtainable. In addition, the pharmaceutical intermediates manufactured by our Company may be perceived to cause severe side effects in case other pharmaceutical companies' products containing same or similar intermediates as manufactured by our Company cause or are perceived to have caused such side effects, or if one or more regulators, such as WHO, Food & Drugs Control Administration, etc determines that such products or intermediates could cause or lead to severe side effects. If the products containing our intermediates cause, or are perceived to cause, severe side effects, we may face a number of consequences including but not limited to decrease in the demand for, and sales of, the relevant products; the recall or withdrawal of the relevant products; withdrawal of regulatory approvals for the relevant products; removal of relevant products from the national medical insurance catalogues; and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or penalties. Also see, "***Risk Factor - We are subject to strict technical specifications, quality requirements, regular inspections and audits by our customers or their representatives. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our business, results of operations and financial condition, including cancellation of existing and future orders which may expose us to warranty claims***" on page 33.

While till date our Company has not received any report or a complaint from any of its customers for its products causing side effects, there can be no assurance that we will not receive any complaints from our customers or such determination by regulators for our products in future causing side effects. The occurrence of any such event may lead to a decline in the sales of our products, which in turn may have an adverse effect on our business, results of operations, financial condition and cash flows.

11. ***Disruption in our relationships with third party distributors, changes in their business practices, their failure to meet payment schedules and provide timely and accurate information could adversely affect our business, operating cash flows and financial condition.***

We sell our products through network of third-party dealers or distributors and also directly to customers. We typically do not enter into annual contracts or long-term contracts with our dealers and distributors for the sale and distribution of our products and therefore cannot assure that we would maintain historic level of relation with our dealers and distributors. Our dealers and distributors are also source of market information for our products which aids us knowing our competitors and market trends.

While we believe that our relationship with most of our dealers and distributors has been satisfactory, we cannot assure you that we will be able to maintain our relationships with such third-party dealers and distributors in the future. Further, there can be no assurance that these third-party dealers and distributors will continue to maintain adequate sales capabilities, will be successful in ensuring onward sale of our products or that they will continue to provide verified and adequate information for preparing demand forecasts for our products. Further, our dealers and distributors are not exclusive to us. If our competitors offer our dealers and distributors more favorable terms and/or have larger product offerings available to meet their requirements, those dealers and distributors may de-emphasize or decline to distribute our products. Although, in the past three fiscals, we have not faced any conflict with our distributors, we cannot assure you that we will not face any conflicts in the future.

Further, our dealers and distributors are susceptible to changing their business practices, such as the inventory levels they maintain, or may fail to meet payment schedules, causing us to revise or revoke the credit period extended to them.

12. ***Our Company is yet to place orders for the equipment, plant and machinery for the expansion of the Manufacturing Facility. Any delay in placing orders or procurement of such equipment, plant and machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.***

Our Company has received third party quotations for the equipment, plant and machinery proposed to be installed in the proposed expanded manufacturing facility. Although, we have identified the type of equipment, plant and machinery proposed to be purchased from the Net Proceeds, we are yet to place orders for the proposed equipment, plant and machinery amounting to approximately ₹2,292.21 lakhs excluding taxes and installation and transportation charges. The cost of the proposed purchase of equipment, plant and machinery is based on the quotations received from third party vendors and contractors and such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. For details, see "***Objects of the Issue***" on page 106. Also, see "***Risk Factor - We may face several risks associated with the Proposed Expansion, which could hamper our growth, prospects, cash flows and business and financial condition*** " on page 41.

We cannot assure that we will be able to procure the equipment, plant and machinery in a timely manner and at the same price at which the quotations have been received. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns in expanding the capacity of our Manufacturing Facility. Further, if we are unable to procure machinery and equipment from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the machinery and equipment which satisfy our requirements at acceptable prices. Our inability to procure the machinery and equipment at acceptable prices or in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

13. ***We may face several risks associated with the Proposed Expansion, which could hamper our growth, prospects, cash flows and business and financial condition.***

We intend to utilize a portion of the Net Proceeds of this Issue to enhance the production capacity of our products by increasing the existing installed capacity of our Manufacturing Facility, the Proposed Expansion. For further details, see "***Object of the Issue***" at page 106.

During the process of expansion of our Manufacturing Facility, we may face several difficulties such as cost overruns or delays for various reasons, including, but not limited to, our financial and market conditions, changes in business and strategy, competition, negotiation with vendors, variation in cost estimates including due to passage of time, incremental pre-operative expenses and other external factors such as changes in the business environment, receipt of regulatory approvals and interest or exchange rate fluctuations, which may not be within the control of our management. We cannot assure you that we will be able to implement the Proposed Expansion without facing delays or time and cost overruns.

Any delay in the aforementioned expansion of the production capacities, could lead to revenue loss for our Company. Further, our Proposed Expansion may be subject to delays and other risks, which may be caused due to certain other unforeseen events, such as unforeseen engineering or technical problems, disputes with workers, unanticipated cost increases or changes in scope and delays in obtaining requisite government approvals and consents. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays could be mitigated and that we will be able to prevent any cost and time over-runs and any loss of profits resulting from such delays, shortfalls and disruptions.

Further, the budgeted cost may prove insufficient to meet the requirements of the Proposed Expansion due to, among other things, cost escalation, which could drain our internal cash flows or compel us to raise additional capital, which may not be available on terms favorable to us or at all. We cannot assure that we will be able to complete the aforementioned expansion in accordance with the proposed schedule of implementation and any delay in setting up such plants in a timely manner, or at all, could have an adverse impact on our growth, prospects, cash flows and business and financial condition.

We also cannot assure you that we will be able to receive the requisites approvals for the Proposed Expansion in a timely manner. If we are not able to receive the required approvals at all or if there is a delay in receiving the same, all other operations, which are to be undertaken for the completion of the expansion might also be delayed or we may also be compelled to evaluate alternate locations for completion of Proposed Expansion. The quotations for plant and machinery and civil works received by us from various vendors and contractors might expire and we may be compelled to purchase the same at a higher cost. Our financial condition, results of operations and liquidity would be materially and adversely affected if the cost for Proposed Expansion materially exceeds such budgeted amounts. For further details, see "***Objects of the Issue***" and "***Risk Factor - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds***" on pages 106 and 60.

14. ***We may face several risks associated with the construction of the building forming a part of the Proposed Expansion, which could hamper our growth, prospects, cash flows and business and financial condition.***

We intend to utilize a portion of the Net Proceeds amounting to approximately ₹321.95 lakhs for the construction of the project building forming a part of the Proposed Expansion. For further details, see "***Objects of the Issue***" on page 106.

In expanding the production capacity of Manufacturing Facility and in constructing a GMP compliant stricture at our Manufacturing Facility under the Proposed Expansion, we may encounter cost overruns or delays for various reasons including changes in design and configuration of the project building, increase in input costs of construction materials and labour costs, incremental preoperative expenses, taxes and duties, start-up costs, EPC and non-EPC costs and other external factors which may not be within the control of our management. If the project building that we propose to set up at our Manufacturing Facility, is not completed in a timely manner, or at all, our business, prospects and results of operations may be adversely affected. Further, the budgeted cost may prove insufficient to meet the requirements of the Proposed Expansion due to, among other things, cost escalation, which could drain our internal cash flows or compel us to raise additional capital, which may not be available on terms favourable to us or at all.

We cannot assure that we will be able to complete the project building forming part of the Proposed Expansion in accordance with the proposed schedule of implementation and any delay in setting up project building in a timely manner, or at all, could have an adverse impact on our growth, prospects, cash flows and business and financial condition.

15. ***We do not own some of the premises from where we operate.***

Our Registered office is located on the premises that we do not own. We are using the said premises as a free of cost accommodation under mutual agreement with the owner i.e. Anlon Chemical Research Organization (our Promoter Group Entity) whereby our Anlon Chemical Research Organization has allowed us to use the premises for business. In the event such arrangements are not renewed or is terminated, it could adversely affect our operation unless we arrange for similar premises. If we are unable to continue such arrangement or find alternate premises on lease or rental basis for the purpose of our registered office, it may affect our business operations. For information relating to properties that we have leased, see “***Our Business – Property***” on page 207.

16. ***Our business is working capital intensive. If we are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations.***

Our business requires a significant amount of working capital. As a result, we are required to maintain sufficient stock at all times in order to meet manufacturing requirements, thus increasing our storage and working capital requirements. The following table sets out certain details relating to our working capital, for the periods indicated below:

(₹ in lakhs unless stated otherwise)

Particulars	For period ended January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
	Audited	Audited	Audited	Audited
Raw Material	2945.97	1,171.70	739.59	478.26
Semi-finished Goods	872.08	997.13	1,258.79	584.98
Finished Goods	960.96	1,977.13	676.62	1,594.19
Packing Materials	18.70	25.38	21.62	11.54
Trade Receivables	6579.34	3,670.26	4,177.82	1,686.13
Trade Receivables for more than 2 years	230.92	202.79	202.75	344.14
Cash and Bank Balances (without Margin Money Deposit)	146.64	227.45	62.36	154.23
Other Current Financial Assets-Investments	88.54	84.51	390.74	175.33
Loans and Advances	247.75	139.04	34.55	23.36
Other Current Financial Assets	137.42	55.81	44.79	38.99
Other Current Assets	1566.85	1,519.17	971.17	682.66
Total	**13795.17**	**10,070.37**	**8,580.8**	**5,773.81**
Less:				
Trade Payables	600.52	1,323.20	1,967.95	1,150.24
Trade Payables for more than 3 years	699.17	675.82	564.7	373.07
other Current Liabilities	53.72	93.56	412.51	304.89
Current Maturity of long-term Debts	769.88	668.52	393.69	206.06
Provisions	293.48	217.31	195.22	49.6
Total Liabilities	2416.77	**2978.41**	**3,534.07**	**2,083.86**
Net Working Capital	11378.40	7091.96	5,046.73	3,689.95
Less: Bank Borrowings	1999.47	2031.8	821.06	805.61
Balance	9378.93	5,056.96	4,225.67	2,884.34
Long term and short-term borrowings	3654.68	4,190.15	3,914.72	2,884.33
Financed through Capital Internal Cash Accruals	5724.25	870.01	310.95	-

The actual amount of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, technological changes and additional market developments. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. We have not faced any instances of material losses or adverse impact on our business or results of operations due to the failure of obtaining additional financing in the past three Fiscal years. However, we cannot assure you that we will be able to renew existing funding arrangements or obtain additional financing on acceptable terms, in a timely manner or at all, to meet our working capital needs. Our inability to do so may adversely affect our expansion plans, business, financial condition and results of operations. While a portion of our Net Proceeds are proposed to be utilized towards funding of working capital requirements of our Company in Financial Years 2026 and 2027, we may, in view of our high working capital requirements, still require additional alternate working capital funding in Financial Years 2026, 20276 and for further fiscals. We cannot assure you that we will be able to efficiently deploy the Net Proceeds for working capital purposes in a timely and efficient manner. For details in relation to our working capital requirements, please see "***Objects of the Issue – Funding the working capital requirements of our Company***" and "***Risk Factors - Our Company intends to utilise a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and have not been appraised by any bank or financial institution***" on pages 120 and 50.

As we pursue our growth plan, we may be required to raise additional funds by incurring further indebtedness or issuing additional equity to meet our working capital in the future. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increase in our working capital requirements may have an adverse effect on our financial condition, cash flows and results of operations. In addition, if we are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short- term indebtedness and securing new and additional loans on acceptable terms, or renegotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Failure to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations and financial condition. For further information on the working capital facility currently availed of by us, see "***Financial Indebtedness***" on page 280.

17. ***There are outstanding legal proceedings involving us.***

There are outstanding legal proceedings involving us. These proceedings are pending at different levels of adjudication before various authorities. The details of such outstanding litigations as at the date of the Draft Red Herring Prospectus are as follows:

Nature of Cases	**Number of outstanding cases**	**Amount Involved (*in ₹ lakhs*)***
Litigation involving our Company		
Criminal proceedings against our Company	Nil	Nil
Criminal proceedings by our Company	Nil	Nil
Material civil litigation against our Company	Nil	Nil
Material civil litigation by our Company	1	Not ascertainable*
Actions by statutory or regulatory Authorities	Nil	Nil
Direct and indirect tax proceedings	13	241.98
Litigation involving our Directors (other than Promoters)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil

Nature of Cases	Number of outstanding cases	Amount Involved (*in ₹ lakhs*)*
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters		
Criminal proceedings against our Promoters	Nil	Nil
Criminal proceedings by our Promoters	Nil	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	1	1.66

**To the extent quantifiable.*

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, see "***Outstanding Litigation and Material Developments***" on page 297.

18. ***We operate in a hazardous industry and are subject to certain business and operational risks consequent to our operations, such as, the manufacture, usage and storage of various hazardous substances which may adversely affect our business, results of operations and financial condition.***

Our manufacturing processes involve manufacturing, storage of various hazardous and flammable substances. Our operations require handling flammable materials as some portion of our business involves handling of highly flammable chemicals. These chemicals are extremely inflammable and any accident while handling such chemicals poses the threat of causing hazards such as explosion, fire, mechanical failure, discharge or leakage of dangerous chemicals or gases, other environmental risks and may seriously hurt or even kill our employees and cause damage to our properties and properties of others.

Further, any environmental damages could increase the regulatory scrutiny and result in enhanced compliance requirements including on use of materials and effluent treatment which would, amongst others, increase the cost of our operations.

Accordingly, while we believe we have invested in engineering and safety infrastructure, provided adequate training to our employees and engaged external and internal experts, we may still be subject to operating risks associated with handling of such hazardous materials such as possibility for leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause industrial accidents, fire, personal injury, loss of human life, damage to our and third-party property damage and environmental contamination. In the event of occurrence of any such accidents, our business operations may be interrupted. Any of these occurrences may result in the shutdown of one or more of our Manufacturing Facility and expose us to civil or criminal liability, including significant penalties, which could have an adverse effect on our results of operations and financial condition. Moreover, certain environmental laws imposes strict liability for accident/damages resulting from hazardous substances and any failure to comply with such laws may lead to penalties, fines and imprisonment. Further, our operations (including our storage facility) involve working with some highly inflammable raw materials. Any accident while handling such raw materials could cause serious injury to people or property and this may adversely affect our business, results of operations and financial condition.

Although we attempt at all times to conduct our business with necessary safety and security precautions and maintain what we believe to be adequate insurance, there is a risk that any hazard including an accident may result in personal injury to our employees or other persons, destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/ or imposition of civil or criminal liabilities. In particular, if operations at our facility were to be disrupted as a result of any significant workplace accident, fire, explosion or other connected reasons, our financial performance would be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Although, in past three fiscals, we have not face any accident or event arising from storage of hazardous and flammable substances, any such event in future may cause interruptions in production may also increase our costs and reduce our sales and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, reputation, financial condition, results of operations, cash flows and prospects.

19. ***A portion of our revenues are denominated in foreign currencies. As a result, we are exposed to foreign currency exchange risks which may adversely impact our results of operations.***

We have exposure to foreign exchange-related risks since a portion of our revenue from operations are in foreign currencies. For ten months period ended January 31, 2025, Fiscal 2024, 2023, 2022, we exported our products to Fifteen (15) countries including Italy, Germany, South Korea, China, Argentina, Chile, Columbia, Mexico, Egypt, Turkey, Japan, Brazil, United Kingdom, United Arab Emirates etc. among others. For ten months period ended January 31, 2025, Fiscal 2024, 2023, 2022, our revenue from exports (including merchant exports) amounted to ₹ 391.09 lakhs, ₹661.13 lakhs, ₹1,202.62 lakhs and ₹946.13 lakhs amounting to 5.06%, 9.93%, 10.65% and 16.56%, of our revenue from operations, respectively. Going forward, we intend to increase wallet share from export.

Any appreciation or depreciation of the Indian Rupee against these currencies can impact our results of operations. We may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. Our inability to price our products at the applicable prices in the international markets, may affect the demand for our products and consequently have a material adverse effect on our results of operations and financial condition.

Further, in addition to the currency fluctuation risk, there are a number of risks in doing business abroad, where we have limited experience. These risks and challenges include risks with respect to different tax and regulatory environments (particularly with respect to the nature of our products), changes in social, political and economic conditions, the need to recruit personnel combining product skills and local market knowledge, obtaining the necessary clearances and approvals to set up business and competing with established players in these regions and cost structures in international markets, including those in which we operate, that are significantly different from those that we have experienced in India. For instance, we require various approvals, licenses, registrations and permissions for supplying to our overseas customers. Authorities in different jurisdictions may impose their own requirements or delay or refuse to grant approval, even when our product has already been approved in another country. In case we fail to comply with applicable statutory or regulatory requirements, there could be a delay in the submission or grant of approval for marketing new products.

Further, there may be certain developments in the industries in which our customers operate which in turn may have an impact on our sales from exports. There may be imposition of certain tariffs, quotas and other tariff and non-tariff trade barriers on our products in jurisdictions in which we operate or seek to sell our products, and we may face trade restrictions in the jurisdictions we operate including the United States and the European countries, among others. Additionally, there may be a prohibition on our exports to certain countries that may be included in the sanctions list maintained by the Government of India.

These risks may impact our ability to expand our exports in different regions and otherwise achieve our objectives relating to our export operations. Expansion into a market outside of our current operation could require significant capital expenditure and have a material effect on our capital structure. If we pursue an international expansion opportunity, we could face internal or external risks, including, without limitation, compliance with multiple and potentially conflicting foreign laws and regulations, import and export limitations and limits on the repatriation of funds.

We may be unsuccessful in developing and implementing policies and strategies that will be effective in managing these risks in each country where we have business operations. Our failure to manage these risks successfully could adversely affect our business, operating results and financial condition. Furthermore, we may face competition in other countries from companies that have more experience with operations in such countries or with international operations generally. If we are unable to successfully develop or manage our international operations, it may limit our ability to grow our international business.

20. ***We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects.***

The pharma intermediate and API manufacturing industry presents significant entry barriers, including customer validation and approvals, expectation from customers for process innovation and cost reduction, high quality standards and stringent specifications. In particular, our typical end customers are required to register the manufacturer with the regulatory bodies as a supplier of intermediate products or active ingredients. As a result, any change in the manufacturer of the intermediate product or active ingredient may require customers to expend significant time and resources, resulting in the acquisition of customers becoming a long process. From the product testing stage to the batch procurement phase, to the eventual customer approval stage acquiring a new end customer typically takes up to 6 -9 months, depending on product complexity.

We face competition from both domestic and multinational corporations. The industry is fragmented in nature. Our failure to on-board new customers or to retain or increase our existing market share or effectively compete could adversely affect our business, financial condition and results of operations. Competition in our business is based on pricing, relationships with customers, product quality, customization and innovation. We face pricing pressures from multinational companies that are able to produce chemicals at competitive costs and consequently, supply their products at cheaper prices. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such multinational competitors which would adversely affect our profitability. Also, see "***Our Business – Competition***" and "***Industry Overview***" on pages 206 and 138, respectively, for further details on competitive conditions that we face across our various business segments.

Additionally, some of our competitors in the segment may have greater financial resources, technology, development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. Further, we may incur significant expense in preparing to meet anticipated customer requirements that we may not be able to recover or pass on to our customers. Increased competition may force us to improve our process, technical, product and service capabilities and/or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and future prospects. There is no assurance that we will remain competitive with respect to technology, design, quality or cost. In addition, our competitors may develop competing technologies that gain market acceptance before or instead of our products. Our competitors' actions, including expanding manufacturing capacity, expansion of their operations to newer geographies or product segments in which we compete, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume.

21. ***We are dependent on third party transportation and logistics service providers. Any increase in the charges of these entities could adversely affect our business, results of operations and financial condition.***

Our Company procures raw materials from third party domestic vendors, which are brought to our Manufacturing Facility through third party logistics providers including overland transport companies. Similarly, our finished products are transported from our Manufacturing Facility to our customers by using third party shipping companies and logistics and transportation vehicles which are not owned or controlled by us. The logistics service providers are, therefore, integral to our business operations. We have over the years engaged the services of logistics service providers for our business operations. We do not, however, have any contractual arrangements with such third-party logistics service providers. We are, therefore, constrained to rely on a large number of such overland transport providers and shipping companies.

If we cannot fully offset any increases in freight costs, through increases in the prices for our products, we would experience lower margins. In addition, any increase in export tariffs also will increase expenses which in turn may adversely affect our business, financial condition and results of operations.

While these third-party logistics service providers have generally, in the past, been reliable, we cannot assure you that they will continue to be available to us as required. If such third-party logistics service providers discontinue their services for a reasonable length of time and, if we are unable to obtain the services of other service providers, our business operations could be adversely impacted, at times, significantly.

We may also be exposed to the risk of theft, accidents and/or loss of our products in transit. While there have been no material instances of theft, accident or loss in the past five years, we cannot assure you that such incidents will not occur in future. Any such acts could result in serious liability claims (for which we may not be adequately insured) which could have an adverse effect on our business, financial condition and results of operations.

Moreover, we cannot assure you that we will not be liable for acts of negligence or other acts which may result in harm or injury to third parties. Any such acts could result in serious liability claims (for which we may not be adequately insured) which may, in addition to resulting in pecuniary liability also entail personal liability, which could significantly adversely impact our business operations and financial condition.

22. ***Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***

The level of our capacity utilization can impact our operating results. A high-capacity utilization allows us to spread our fixed costs, resulting in higher gross profit margin. Our product mix also affects capacity utilization of our manufacturing facility, and the demand and supply balance and the average selling prices of our products, would in turn affect our gross profit margin.

Our capacity utilization is affected by the availability of raw materials, industry/ market conditions as well as by the product requirements of, and procurement practice followed by, our customers. In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facility, resulting in operational inefficiencies which could have a material adverse effect on our business prospects and financial performance. Further, if our customers place orders for less than anticipated volume or cancel existing orders or change their policies resulting in reduced quantities being supplied by us, it could result in the under-utilization of our manufacturing capacities. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our manufacturing capacity for a particular product. Any such mismatch leading to over or under utilization of our Manufacturing Facility could adversely affect our business, results of operations, financial condition and cash flows.

For further details, see section entitles "***Our Business – Capacity and Capacity Utilization***" on page 200.

23. ***Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows.***

Our operations are subject to various risks inherent in the manufacturing industry including defects, liability for product and/or property damage, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents, personal injury or death, environmental pollution and natural disasters. We maintain insurance policies that are customary in the industry in which we operate such as public liability insurance, Fire insurance, workmen compensations, etc. For further details of the insurance policies availed by our Company, see "***Our Business - Insurance***" on page 206.

Our insurance may not be adequate to completely cover any or all of our risks and liabilities. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable. Accordingly, our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability.

We cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, an insurance claim once made could lead to an increase in our insurance premium, result in higher deductibles and also require us to spend towards addressing certain covenants specified by the insurance companies. We had no insurance claims that were receivable in last three Fiscals.

To the extent that we suffer loss or damage as a result of events for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or the amount received pursuant to an insurance claim, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

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

Our operations are subject to extensive government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business and for our manufacturing facility. For details of material approvals relating to the business and operations of our Company, see "***Government and Other Approvals***" on page 301.

A majority of these approvals are granted for a limited duration and require timely renewal. The approvals required by us are subject to numerous conditions and we cannot assure you that these 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. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In addition, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of products may be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations or growth prospects.

While, we have not had any material instances of failure to obtain, maintain or renew approvals, licenses, and registrations required to conduct our businesses in the past three Fiscals, we cannot assure you that approvals, licenses and registrations will be successfully granted or renewed in a timely manner or at all in the future. We also cannot assure you that our approvals and consents will not be suspended or revoked in the future. Failure to obtain, maintain or renew the approvals, licenses and registrations required to operate our business could adversely affect our business, financial condition, cash flows and results of operations.

25. ***We are exposed to credit risk from our customers and the recoverability of our trade receivables is subject to uncertainties.***

We generally extend a credit period to our customers/distributors, which exposes us to credit risk. The table below outlines specific details regarding our trade receivables and trade receivable turnover days for the indicated year/period:

Particulars	For January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade Receivables (₹ in Lakhs)	6579.34	3873.05	4380.57	2030.27
Trade Receivable Turnover Days (number of days)	165	165	111	89

A customer's ability to make timely payments depends on various factors, including general economic conditions and their cash flow situation, which are beyond our control. Delays in receiving payments from customers could negatively impact our cash flow and hinder our ability to meet working capital requirements. There is no guarantee that our customers will pay us promptly or at all, which may affect the recoverability of our trade receivables. Additionally, we may struggle to manage any bad debt resulting from delayed payments.

We have also outstanding trade receivables for more than 2 years and the details of the same is as follow

Particulars	For January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Trade Receivables (₹ in Lakhs)	230.92	202.79	202.75	344.14

Taking legal action against our customers to enforce their contractual obligations can be challenging, and there is no guarantee that we will receive a favorable judgment or that it will be issued in a timely manner. If any of our customers fail to fulfill their contractual commitments, or if they face insolvency or liquidation, it could negatively impact our financial condition and results of operations.

26. ***We have experienced negative cash flows in prior years***

We have experienced negative cash flows from operations in the Fiscals 2023 and 2024.

Particulars	For January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from operating activities (A) (₹ in Lakhs)	(2721.80)	(322.60)	(284.97)	(175.40)

During the indicated period, the company experienced an increase in trade receivables and inventories. We cannot assure you that we will not have negative cash flow from operating activities or investing activities and from financing activities in the future. Any negative cash flows in the future could adversely affect our results of operations and financial condition. For further detail, see "***Management's Discussion and Analysis of our Financial Condition and Results of Operations – Significant Developments Subsequent to January 31, 2025***" on page 285.

27. ***Our Company intends to utilize a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and have not been appraised by any bank or financial institution.***

The objects of the Issue include funding working capital requirements which are based on the management estimates and certain assumptions by our Company in relation to inter alia sales of the products by our Company, receivable days and the cost and holding periods of the inventories of the products of our Company. The requirements for funding working capital of our Company have not been appraised by any bank, financial institution or any other appraising authority.

Our business is working capital intensive and accordingly, the net working capital requirements of our Company for the ten-month period ended January 31, 2025, Fiscals 2024, 2023 and 2022 was ₹11378.40

lakhs, ₹ 7091.96 lakhs, ₹ 5046.73 lakhs and ₹ 3689.94 lakhs, respectively. We propose to utilize up to ₹ 1030.00 lakhs and ₹ 3285.00 lakhs in the Fiscals 2026 and 2027, respectively from the Net Proceeds to fund part of the working capital requirements of our Company. For details, see '***Objects of the Issue***' on page 106.

The future working capital requirements and deployment of funds by our Company may be subject to change due to factors beyond the control of our Company including force majeure conditions, an increase in defaults by our customers, unanticipated expenses, economic conditions, availability of funding from banks or financial institutions. Accordingly, such working capital requirements and deployment of proceeds may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our Company's sources of additional financing, required to meet the working capital requirements of our Company may include availing debt or issue of further equity or debt securities or a combination of both. If our Company decides to raise additional funds by availing debt, the interest and debt repayment obligations of our Company will increase and could have a significant effect on our profitability and cash flows. Further, our Company may be subject to additional covenants, which could limit the ability of our Company to access cash flows from operations. Any issuance of further equity, on the other hand, could result in a dilution of your shareholding in our Company. Accordingly, continued increases in the working capital requirements by our Company may have an adverse effect on our business, results of operations, financial condition and cash flows. Also see, "***Risk Factor - Our business is working capital intensive. If we are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business and results of operations***" on page 43.

28. ***There may have been certain instances of irregularities, discrepancies and non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.***

There were certain instances of secretarial irregularities and discrepancies in our Company, such as delay in filing, (i) MGT-7 for Fiscal 2022; (ii) AOC-4 for Fiscal 2022; (iii) two CHG-1 for with respect to the charge created/modified in Fiscal 2018; and (iv) ADT-1 for Fiscal 2017, 2018, 2021 and 2024. However, our Company has made all the requisite filings with payment of additional fees to the Ministry of Corporate Affairs, as applicable. However, there can be no assurance that there will be no delays with the filing of certain documents in the future.

Further, our Company had made an inadvertent typographical error in recording the date of a Board meeting in e-form MGT-7 filed for the Fiscal 2022. The Company has obtained a legal opinion with respect to the typographical error in Form MGT-7 and it is opined that since the error is not a deliberate omission, the Company upon refiling the form MGT-7 may make the non-compliance good. However, if the authorities treat such erroneous filing as non-filing of MGT-7 under section 92(5) of the Act, the Company and every officer in default may be subject to a monetary penalty of ₹1 lakh and in case of continuing failure, with a further penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of ₹2 lakhs in case of the Company and ₹50,000 in case of an officer who is in default. While the penalty would not be material and we shall strive to avoid making typographical errors in future, we cannot assure you that we would not be subject to any penalties by regulatory authorities for aforesaid typographical error. In a separate instance, during the year 2018, the Company issued certain Equity Shares by way of private placement under the provisions of Section 42 of the Companies Act, 2013, whereby the subscription amount was to be deposited in a separate bank account and used after the allotments of the Equity Shares. However, inadvertently, the subscription money was not deposited in a separate bank account and were utilized towards business purposes before the allotment of shares to the investors leading to non-compliance of Sections 42(6) and 42(8) of the Companies Act, 2013. In this regard, the Company has filed an application dated October 5, 2024, for compounding of the aforesaid non-compliances before the RoC. The application is pending as on date.

Furthermore, our Company has not been able to trace RoC form INC-24 for change in name of our Company from Anlon Ventures Private Limited to Anlon Healthcare Private Limited in 2015, although the name change is being reflected on Master data in MCA portal. We have been unable to trace the said e-form despite commissioning a detailed online search at the RoC through an independent practicing company secretary, to trace records and filings available with the RoC and accordingly intimation to RoC was sent regarding the untraceable form. We cannot assure you that the abovementioned secretarial record will be available in the future. Further, we cannot assure you that our Company has filed such forms and filings in a timely manner or at all, in the past. Although no regulatory action/ litigation is pending against us in relation to such untraceable secretarial records, we cannot assure you that we will not be subject to penalties imposed by regulatory authorities in this respect.

29. ***Our Company's Directors or Promoter have entered into ventures that may have potential conflicts of interest with our business.***

Our Promoter are involved in Anlon Chemical Research Organization, a partnership firm in which our Promoters are Partners. Although, as on date Anlon Chemical Research Organization is not into manufacturing business unlike the Company but in trading of chemicals. However, going forward, Anlon Chemical Research Organization potentially competes with our Company if it enters into the business of manufacturing. The interests of our Promoters may conflict with the interests of our other Shareholders, and such Directors or Promoter may, for business considerations or otherwise, cause the Company to take actions, or refrain from taking actions, in order to benefit their interests instead of the Company's interests or the interests of its other Shareholders. We cannot assure you that such a conflict will not arise in the future, or that we will be able to suitably resolve any such conflict without an adverse effect on our business or operations

30. ***We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materializes.***

As of January 31, 2025, contingent liabilities disclosed in the notes to our audited and Restated Financial Statements aggregated ₹ 115.28 lakhs. The following table sets forth our contingent liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 as per the Restated Financial Information:

(₹ In Lakhs)

Contingent Liabilities	**As of January 31, 2025**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2020	92.28	92.28	92.28	-
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2018	23.00	23.00	-	-

Note: The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FY 2019-20 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FY 2017-18 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
As of the balance sheet date, there was a contingent liability of Rs 113.24 Lacs arising from notices issued under Section 73 of the Goods & Services Tax Act. However, a drop order from the GST Department was received on February 17, 2025. In reporting this, we have considered it a 'Non-Adjusting Event' as defined in the applicable accounting standard. Consequently, the contingent liability related to this notice has been omitted from this clause.

If any of these contingent liabilities materialize, our financial condition and results of operation may be adversely affected. For details, please see "***Restated Financial Statements - Note no.*** 26 ***- Contingent Liabilities***" on page 267 and "***Outstanding Litigation and Material Developments***" on page 297.

31. ***Our Company has availed certain unsecured borrowings which are repayable on demand. Any such demand may adversely affect our business, cash flows, financial condition and results of operations***

Our Company has availed certain unsecured borrowings as on January 31, 2025 amounting to ₹3,654.68 lakhs which are repayable on demand, with or without the existence of an event of default. The unsecured loans are interest free. Out of the total unsecured borrowings, the loan from directors of the Company is ₹ 308.68 lakhs and the balance loan of ₹3,346.00 lakhs is in the nature of inter corporate Deposit. For further details in relation to our indebtedness, please see "***Financial Indebtedness***" on page 280.

In the event that our unsecured lenders seek a repayment of their respective loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate funds to undertake new initiatives or complete our ongoing strategies. As a result, any such demand for repayment of unsecured borrowings may adversely affect our business, cash flows, financial condition and results of operations. With respect to secured facility, see "***Risk Factor - We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition*** on page 54".

32. ***We are dependent on our Promoters for functioning of our business and we believe that our senior management team and other key managerial personnel in our business are critical to our continued success and we may be unable to attract and retain such personnel in the future.***

Our performance depends largely on the efforts and abilities of our Promoters. For details, see "***Our Promoters and Promoter Group***" on pages 235. We believe that the inputs and experience of our Promoters Directors are valuable for the growth and development of business and operations and the strategic directions taken by our Company. Our business and operations are led by our Promoters Directors, who possess experience in the pharma industry, the loss of whose services may adversely affect our business operations.

At the same time, our future success also substantially depends on the continued service and performance of the members of our senior management team and other key managerial personnel in our business for the management and running of our daily operations and the planning and execution of our business strategy. The details of attrition amongst the senior management and other key managerial personnel of the Company are as under:

There is intense competition for experienced senior management and other key managerial personnel with technical and industry expertise in the port business and, if we lose the services of any of our senior management and other key managerial personnel or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business, cash flows, and results of operations.

33. ***Failure to maintain the confidentiality of our technical knowledge could undermine our competitive advantage.***

Our employees possess extensive insights into our commercial decisions and business development strategies, which represent a significant asset that may not be sufficiently protected by employment agreements. Consequently, we cannot guarantee that this knowledge will remain confidential over time.

Despite taking reasonable precautions, both contractual and otherwise, there is still a risk that proprietary information could be leaked, either inadvertently or intentionally. Many employees have access to sensitive production or composition information, and we cannot assure that this information will remain protected. Additionally, some employees may leave to join competitors, and while we will attempt to enforce confidentiality obligations outlined in our staff rules, we cannot ensure their successful enforcement.

Although we have not experienced any leaks in the past three Fiscals, any future exposure of our confidential technical information could harm our competitive position. If competitors are able to replicate or exploit our technology/proprietary, it could be difficult and costly for us to seek legal protection. Therefore, any leakage of confidential information could adversely affect our business, operational results, financial condition, and future prospects.

To mitigate these risks, we have implemented various measures to protect the technical confidential information of both our Company and our customers, including restricting access to our computer systems. However, there remains a possibility that proprietary knowledge could be leaked at various stages of the manufacturing process. While, in the past three Fiscals, any instance of leaking of confidential technical information has not surfaced, any future leaks could significantly impact our business, results of operations, cash flows, and overall prospects.

34. ***We have in the past entered into a number of related party transactions and may continue to enter into related party transactions in the future on an arm's length basis, and there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have entered into related party transactions with our Promoter, Promoter Group and Directors in the ordinary course of business in compliance with Companies Act, 2013 and other applicable laws and we will continue to do so in the future. For further information on our related party transactions, see "***Summary of the Issue Document – Summary of related party transactions***" and "***Restated Financial Statements – Annexure VIII: Related Party Disclosures***" on pages 28 and 274, respectively.

There can be no assurance that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favorable to us. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's length basis, we cannot provide assurance that we could have achieved more favorable terms had such transactions been entered with third parties. We may also enter into related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to the approval of the Audit Committee or Board or shareholders, as applicable, as under the Companies Act and the SEBI Listing Regulations. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline, if we are unable to benefit from our relationships with them in the future

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

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans based was ₹ 3,354.06 lakhs, as on January 31, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have significant adverse effect on our business, financial condition or results of operations. However, during last three Fiscals, there has been no such instances of delayed payment to our bankers/financers. For further details of the secured loans availed by us, see "***Financial Indebtedness***" on page 280.

36. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, cross defaults under other financing agreements, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.***

We have entered into agreements for secured short term and long-term borrowings with certain lenders. As on January 31, 2024, an aggregate of ₹3,354.06 lakhs towards secured loans was outstanding towards loans availed from banks. The credit facilities availed by us are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), personal properties of certain Promoter Group. We have also obtained certain interest free unsecured loan. For details, see "***Financial Indebtedness***" on page 280. Further, our Company intends to utilize a portion of Net Proceeds towards pre-payment or repayment of all, or a portion, of the principal amount on certain secured loans availed by our Company from lender. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges. Such pre-payment charges, as may be applicable, along with other related costs, will be made from the internal accruals of our Company. For Details, see "***Objects of the Issue***" on page 106.

In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to us may be recalled with penal interest. This could severely affect our operations and financial condition. Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure, diversifying business, advance or repay loans, effect any dividend pay-out in case of any delays in debt servicing, effect any change in shareholding pattern and management control of the Company amongst others. In addition, any breach of financial or non-financial covenant may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, such breach and relevant actions by the lenders could also trigger enforcement action by other lenders pursuant to cross-default provisions under certain of our financing agreements. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances would have an adverse effect on our business, results of operation and financial condition. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

37. ***There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.***

There have been instances of delay in filing of GST returns in the past three Fiscals which were due to initial technological issue with GST portal, limited time frame for staff to align with the amendments in the initial years and multiple clarifications issued by the GST authorities. A wrong filing of GST return can lead to huge penalties and interest. Therefore, reconciliation and checking of returns before submitting them is necessary as there is no opportunity to make any changes afterward. Hence, there were delays in filing of GST returns in order to include correct inputs from all stakeholders involved and make them error free. There were also delays in payment of EPF primarily due to technical glitches on the portal in last three Fiscals. Although, we have undertaken certain steps to avoid future delays, there can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition.

Inability to make timely payment of our statutory dues which could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business and our results of operations and financial condition. For example, in the past, we have been served summons was issued to our Company to appear for hearing under section 14B of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 for belated remittance made during the period June 1, 2017 to March 31, 2021 and our Company paid total dues of damages under section 14-B amounting to Rs. 6,05,423 (inclusive of interest amounting to Rs. 2,58,034) and accordingly the matter was disposed of vide an order dated October 1, 2022 passed by the Regional Office of the EPFO. We cannot assure you that going forward we will be able to make timely payment of our statutory dues which could result us into paying interest on the delay in payment of statutory dues which could adversely affect our business and our results of operations and financial condition.

38. ***Any surplus production and failure to manage inventory could adversely affect our business, results of operations and financial condition.***

Our business depends on our estimate of the demand for our products from customers. As is typical in the pharmaceutical industry, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods.

If we overestimate demand, we may incur costs to build capacity or purchased more raw materials and manufacture more products than required. Our inability to manage our inventory may have an adverse effect on our business, results of operations and financial condition. In addition, each of our products has a shelf life of a specified number of years and such products may lead to losses if not sold prior to expiry or lead to health hazards if consumed after expiry. As such, our inability to manage our inventory may have an adverse effect on our business, results of operations and financial condition.

We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations and financial condition.

39. ***We may not be able to adequately protect our intellectual property, which could harm the value of our brand and services.***

As on date of this Draft Red Herring Prospectus, our Company is not the registered owner of logo and the trademark that we are using and has made application for registration of our trademarks including our logo with the Registrar of Trademarks under the Trademarks Act, 1999 which is at formality check pass status:

Date of Application	Trademark Holder	Trademark Application Number	Class	Trademark	Status
June 11, 2024	Anlon Healthcare Limited	6475647 and 6475648	1 and 5	anlon	Formality Check Pass

If we are unable to register our trademark for any reasons or if our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill. Any failure to obtain or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad. Further, it may be possible that we may not be aware of any misuse of our trademarks which could potentially cause loss of our reputation and impact our business and may even affect our goodwill. While we have endeavoured to register most of the trademarks that we use or have used in the past, the use of a deceptively similar or identical third-party mark may result in a loss/injury to us. Although our company has not encountered any unauthorized use of our intellectual property in the last three Fiscals, we may not be able to ensure protection of the same in future. For further details, see "***Government and Other Statutory Approvals***" on page 301.

40. ***We have issued equity shares in the last 12 months at a price that may be lower than the Issue Price***

We have issued equity shares in the last 12 months at a price that may be lower than the Issue Price, the details of which are as follows:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Mode of allotment
July 19, 2024	2,00,00,000	10	10	Rights Issue
July 30, 2024	38,51,500	10	49	Private Placement

For further details, see "***Capital Structure***" on Page 85.

41. ***An inability to effectively manage our growth and expansion may have a material adverse effect on our business prospects and future financial performance.***

The success of our business heavily relies on our ability to effectively implement our growth strategy. Achieving this growth will depend on various factors, including regulatory challenges, our capacity to identify industry trends and demands, competition from existing companies, maintaining effective quality control, and recruiting and training qualified personnel.

Many of these factors are beyond our control, and there is no guarantee that we will succeed in executing our strategies. Our future growth will also hinge on expanding our sales network into new markets and geographies through different sales channels, which carries increased risks. We may encounter difficulties in hiring, training, and retaining qualified employees, as well as in sourcing reliable suppliers that meet our quality standards. Consequently, products introduced in new markets may be more costly to produce and distribute, potentially leading to longer timelines for achieving expected sales and profit levels compared to our existing markets.

Furthermore, our growth could strain our managerial, operational, and financial resources. Effectively managing future growth will depend on our ability to implement and enhance operational, financial, and management information systems, as well as internal controls in a timely manner. We will also need to expand, train, and motivate our workforce, which may impose significant demands on our management and resources. We cannot assure you that our personnel, systems, procedures, and controls will be sufficient to support our growth.

Failure to effectively manage our expansion could lead to increased costs, reduced profitability, and negatively impact our growth prospects. There is no assurance that we will achieve our business strategy within the expected timeframe or budget, or that our expansion efforts will enhance profitability. Our inability to manage our business and implement our growth strategy could materially adversely affect our financial condition and profitability.

42. ***We as an Indian API manufactures faces certain risk associated with manufacturing of API.***

An Indian API industry faces stiff competition from imported API, mainly coming from low-cost destinations like China. It is estimated that more than 70 – 75% of the API requirements of Indian pharmaceutical industry is met by imports. Domestic manufacturers has been struggling to match up to the competition posed by imports. However, the recent initiatives by the Indian Government to reduce the over reliance on imports is slowly improving this situation. The Government have announced & implemented several policies in the past few years to improve the domestic API manufacturing scenario.

Although the full impact is yet to be felt, these initiatives are improving the operating environment and eventually is expected to develop the domestic API production landscape. However, till that happens, imports would play a key role and they would continue to pose strong threats to domestic industry (*Source: D&B Report*).

APIs are also subject to pricing regulations by the National Pharmaceutical Pricing Authority (NPPA), especially for essential medicines listed in the National List of Essential Medicines (NLEM). While this ensures affordable medicine prices domestically, it may limit the profitability of API manufacturers. (*Source: D&B Report*).

43. ***If we are unable to establish and maintain effective internal controls and compliance system, our business and reputation could be adversely affected.***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no other instances of such inadvertent non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

44. ***Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the Industry Report on Pharmaceutical Sector dated October 7, 2024 and amended on February 20, 2025 prepared and issued by D&B, which available on the website of our Company at www.anlon.in and has been exclusively commissioned and paid for by our Company in connection with the Issue pursuant to an engagement letter dated September 12, 2024. D&B is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs.

Further, D&B Report is prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in this Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. The D&B Report uses certain methodologies for market sizing and forecasting. Furthermore, the D&B Report is not a recommendation to invest/ disinvest in any company covered in the D&B Report. Accordingly, Investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Issue pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the D&B Report before making any investment decision regarding the Issue. For further details, see "***Industry Overview***" on page 138 of this Draft Red Herring Prospectus.

45. ***None of the Directors of the Company have experience of being a director of a public listed company.***

The Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the Company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the Company will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of the Company's disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the Company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

46. ***We are dependent on third parties for the supply of utilities, such as water, gas and electricity, at our manufacturing facilities and any disruption in the supply of such utilities could adversely affect our manufacturing operations***.

Our business is dependent on the delivery of an adequate and uninterrupted supply of electricity, water and fuel. We procure utilities, such as water and electricity, from third parties for use at our manufacturing facilities. We also use third party supplied briquettes for our boiler. Reliance on third parties for such utilities exposes us to risks such as shortage or breakdown in supply, the correction of which is in the hands of such third parties. Any interruption in the continuous supply of water, gas, electricity may negatively impact our manufacturing processes, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationships. In case of the unavailability of any supply from, any of our utility providers for any reason, we are unable to assure you that we shall be able to source such utilities from alternate sources in a timely manner and at a commercially reasonable cost, which could adversely affect our business, results of operations and financial condition. For details, see "***Our Business - Utilities***" on page 204.

47. ***We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.***

We rely on the skills, expertise and experience of our employees to provide continuous and quality products to our clients. For instance, we require experienced employee to carry out quality checks and inspections at all stages of the manufacturing process of our products. The quality assurance team carries out frequent checks on the process and product specifications as per our quality assurance plans, prepared and issued by the technical team to ensure that the same meets industry standards. Our employees may terminate their employment with us prematurely and we may not be able to retain them.

If we experience any failure to attract and retain competent personnel or any material increase in manpower costs as a result of the shortage of skilled manpower, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

48. ***Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

We intend to use Net Proceeds from the Issue towards (a) funding working capital requirements of our Company; (b) Proposed Expansion (c) prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company; and (d) general corporate purposes. For details of the objects of the Issue, see "***Objects of the Issue***" on page 106. The funding requirement and deployment of the Net Proceeds mentioned as a part of the Objects of the Issue are based on current circumstances of our business, prevailing market conditions estimates received from the third-party agencies and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution.

We operate in a highly competitive and dynamic industry and we may have to revise our funding requirements and deployment from time to time on account of various factors beyond our control, such as availability of material, customer confidence, inflation, employment levels, demographic trends, technological changes, changing customer preferences, increasing regulations or changes in government policies, our Board's analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels.

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Furthermore, pending utilization of Net Proceeds towards the Objects of the Issue, our Company will have the flexibility to deploy the Net Proceeds and to deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1939, as may be approved by our Board. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds and there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary deposits. Furthermore, various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

49. ***Changes in technology may affect our business by making our manufacturing unit or equipment less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machinery may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs in upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology may make newer equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

50. ***Our operations may be materially adversely affected by strikes, work stoppages or increased compensation demands by our employees.***

We are dependent on our work force for carrying out our operations. Any Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

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

51. ***Failure or disruption of our information and technology ("IT") and/ or enterprise resources planning systems may adversely affect our business, financial condition, results of operations and future prospects***.

We have implemented various IT solutions and/or enterprise resource planning software solutions to cover key areas of our operations. This system enables us in making and managing, among others, MIS reports, purchase orders, production entries, item code creation and vendor code creation. We are currently using Tally Prime with various functions to track procurement, sales, inventory management, taxation management, payments to vendors and receivables from customers. Our Company has entered into annual maintenance contract with third party vendors for managing its IT infrastructure to support our business requirements. We have already procured the SAP for managing all the operation smoothly and likely to be implemented from Fiscal year 2025-26. These systems are potentially vulnerable to damage or interruption from a variety of sources which could result from (among other causes) cyber-attacks on or failures of such infrastructure or compromises to its physical security, as well as from damaging weather or other acts of nature. A significant or large-scale malfunction or interruption of one or more of our IT systems, or manufacturing automation systems could adversely affect our ability to keep our operations running efficiently and affect product availability, particularly in the country, region or functional area in which the malfunction occurs, and wider or sustained disruption to our business cannot be excluded. In addition, it is possible that a malfunction of our data system security measures could enable unauthorized persons to access sensitive business data, including information relating to our intellectual property or business strategy or those of our customers. Such malfunction or disruptions could cause economic losses for which we could be held liable or cause damage to our reputation. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

52. ***Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We intend to use Net Proceeds from the Issue towards (a) proposed expansion of our manufacturing facility; (b) funding working capital requirements of our Company; (c) prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company; and (d) general corporate purposes. For further details of the proposed objects of the Issue, see "***Objects of the Issue***" on page 106. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval by way of a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

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

53. ***We rely on contractors for the recruitment of contract labourers for non-core tasks and are therefore exposed to execution risks and liability towards labourers under applicable Indian laws.***

We engage independent contractors through whom we engage contract labourers for the performance of certain functions at our Manufacturing Facilities for the performance of non-core tasks. Although we do not engage these labourers directly, we are responsible for any wage and statutory payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial conditions. In addition, we may be liable for or exposed to litigations, sanctions, penalties or losses arising from accidents or damages caused by our workers or contractors.

54. ***Our Promoters 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.***

After completion of the Issue, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us 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 and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

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

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders' investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "***Dividend Policy***" on page 241.

57. ***Our Promoters, some of our Directors and some of our KMPs are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.***

Our Promoters, some of our Directors and some of our KMPs are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares. We cannot assure you that our Promoters, Directors and KMPs will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters, Directors and KMPs holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters, Directors, KMPs and SMPs, other than reimbursement of expenses incurred or normal remuneration or benefits, see "***Our Management***" and "***Our Promoters and Promoter Group***" on pages 220 and 235, respectively.

58. ***Information relating to the installed manufacturing capacity of our Manufacturing Facility included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical installed capacity and estimated capacity utilization of our Manufacturing Facility is based on various assumptions and estimates of our management and an independent chartered engineer. For details, see "***Our Business – Capacity Installed and Utilized***" on page 200. Actual production volumes and capacity utilization rates may differ significantly from the estimated production capacities and historical capacity utilization of our Manufacturing Facility. Investors should therefore not place undue reliance on our historical installed capacity information for our existing Manufacturing Facility.

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

Although, we have not faced any such incidence in past three Fiscals, we cannot assure that we would not face such incident in future.

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

61. ***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.

62. ***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 3 (three) 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.

63. ***We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian retailing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our restated financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus. These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies.

64. ***Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors***

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures ("**ASM**") and Graded Surveillance Measures ("**GSM**") by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

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

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process 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.

66. ***The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see "***Basis for Issue Price***" on page 128. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

67. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

EXTERNAL RISK FACTORS:

68. ***Significant differences exist between Ind AS and other accounting principles, such as US GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and consider material to their assessment of our financial condition.***

Our Restated Financial Statements have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on "**Reports in Company Prospectuses (Revised 2019)**" issued by the ICAI.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

70. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted

71. ***Investors may not be able to enforce judgments obtained in foreign courts against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgment.

72. ***We are a public limited company under the laws of India. Our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgments against them obtained from courts outside India, including judgments predicated on the civil liability***

provisions of the United States federal securities laws. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

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

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

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on the BSE and the NSE, subject to the receipt of the final listing and trading approvals from the Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- political instability, terrorism, military conflict, epidemic or public health issues in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Instability in financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India's tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

74. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

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

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

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

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

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

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

78. ***The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.***

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. The potential impact of a natural disaster on our results of operations and financial position is speculative and would depend on numerous factors. In addition, an outbreak of a communicable disease in India or in the particular region in which we have projects would adversely affect our business and financial conditions and the results of operations. We cannot assure prospective investors that such events will not occur in the future or that our business, financial condition, results of operations and cash flows will not be adversely affected.

79. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

80. ***Rights of shareholders under Indian laws may be different from 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 the Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as our shareholder than as a shareholder of an entity in another jurisdiction.

SECTION III – INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by Our Company [(1)]	Issue of up to 1,40,00,000* Equity Shares of face value of ₹10/- each fully paid up for cash, at a price of ₹[●] per Equity share, aggregating ₹[●] Lakhs
The Issue consists of:	
A) QIB Portion[(2)(3)]	Not more than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
Of which:	
(i) Anchor Investor Portion[(2)]	Up to [●]* Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●]* Equity Shares
Of which:	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●]* Equity Shares
b) Balance for all QIBs including Mutual Funds	[●]* Equity Shares
B) Non – Institutional Portion[(5)]	Not less than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
*A. **Of which:***	
(a) One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹2,00,000 and up to ₹10,00,000	[●]* Equity Shares
(b) Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹10,00,000	[●]* Equity Shares
C) Retail Portion[(5)]	Not more than [●]* Equity Shares, aggregating up to ₹ [●] Lakhs
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as on the date of this Draft Red Herring Prospectus)	3,98,51,500 Equity Shares of face value of ₹10 each
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net proceeds	For details about the use of Net Proceeds, please see ***"Objects of the Issue"*** on page 106.

**Subject to finalisation of the Basis of Allotment.*

Notes:

(1) The Issue has been authorized by a resolution of our Board dated August 26, 2024 and has been authorized by a special resolution of our Shareholders, dated September 21, 2024.

*(2) Our Company may, in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. The QIB portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the Net QIB Portion. 5% of the Net QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion (excluding Anchor Investor Portion) will be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids having being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see "**Issue Procedure**" on* page 326.

*(3) Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Issue, the Equity Shares will be allocated in the manner specified in "**Terms***

of the ***Issue****" on page 316.*

(4) 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, as applicable, at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange, subject to applicable laws.

*(5) Allocation to Bidders in all categories, other than Anchor Portion, Retail Individual Portion and Non-Institutional Portion, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual 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 allocated on a proportionate basis. One-third of the Non-Institutional Portion shall be reserved for applicants with application size of more than ₹2.00 lakh and up to ₹10.00 lakh, two-thirds of the Non-Institutional Portion shall be reserved for Bidders with an application size of more than ₹10.00lakh and the unsubscribed portion in either of the above sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The Allocation to each Non-Institutional Investor shall not be less than the minimum application size viz. ₹2.00 lakh, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis, in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. For details, please see "**Issue Procedure**" on page* 326.

(6) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 lakh shall use UPI. Individual Investors bidding under the Non-Institutional Portion for more than ₹2.00 lakh and up to ₹5 lakh, using the UPI Mechanism, shall provide their UPI ID the Bid cum Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, including grounds for rejection of bids, please see *"**Terms of the Issue**"*, *"**Issue Structure**"* and *"**Issue Procedure**"* on pages 316, 323, and 326 respectively.

SUMMARY OF FINANCIAL STATEMENTS

Annexure I Restated Statement of Assets & Liabilities

(₹ in Lakhs)

	Particulars	Note No	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A	**ASSETS**					
1	**Non-Current Assets**					
	(a) Property, Plant and Equipment	2	2,300.78	2,729.70	2,573.99	2,723.41
	(b) Investment Property			-	-	-
	Total Non-Current Assets		**2,300.78**	**2,729.70**	**2,573.99**	**2,723.41**
2	**Current Assets**					
	(a) Inventories	3	4,797.71	4,171.35	2,696.63	2,668.97
	(b) Financial Assets					
	(i) Trade Receivables	4	6,810.26	3,873.05	4,380.57	2,030.27
	(ii) Cash and Cash Equivalents	5	146.64	227.45	62.36	154.23
	(iii) Investments	6	88.54	84.51	390.74	175.33
	(iv) Loans	7	247.75	139.04	34.55	23.36
	(v) Other financial assets	8	137.42	55.81	44.79	38.99
	(c) Other Current Assets	9	1,566.85	1,519.17	971.17	682.66
	Total Current Assets		**1,3795.16**	**10,070.38**	**8,580.80**	**5,773.81**
	Total Assets (1+2)		**1,6095.94**	**12,800.08**	**11,154.79**	**8,497.22**
B	**Equity and Labilities**					
1	**Equity**					
	(a) Share capital	10	3,985.15	1,600.00	1,200.00	1,200.00
	(b) Other equity	11	3,201.30	503.14	- 462.57	- 1,044.57
	(c) Minority interest		-	-	-	-
	Total Equity		**7,186.45**	**2,103.14**	**737.43**	**155.43**
2	**Non-Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	12	4,239.38	5,424.52	5,817.61	5,226.70
	(ii) Provisions	13	24.50	22.05	12.72	9.88
	(b) Deferred Tax Liabilities (Net)	14	229.35	239.97	231.91	215.75
	Total Non-Current Liabilities		**4,493.24**	**5,686.53**	**6,062.24**	**5,452.33**
3	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	12	1,999.47	2,031.80	821.06	805.61
	(ii) Trade Payables					
	-Due to Micro and Small Enterprises	15	44.42	40.50	1.64	0.32
	-Due to Other then Micro and Small Enterprise		1,255.28	1,958.7	2,531.01	1,522.99
	Current Tax Liabilities (Net)					
	(b) Provisions	16	293.48	217.31	195.22	49.60
	(c) Other Current Liabilities	17	823.60	762.08	806.20	510.95
	Total Current Liabilities		**4,416.25**	**5,010.41**	**4,355.13**	**2,889.46**
	Total Equity and Current Liabilities (1+2+3)		**1,6095.94**	**12,800.08**	**11,154.79**	**8,497.22**

Annexure II Restated Statement of Profit & Loss

(₹ in Lakhs)

	Particulars	Note No	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I	Revenue from operations	18	7,724.84	6,658.37	11,287.74	5,714.27
II	Other income	19	12.63	10.82	24.25	39.37
III	**Total Income (I + II)**		**7,737.47**	**6,669.19**	**11,312.00**	**5,753.64**
IV	Expenses:					
	Cost of material Consumed	20	3,808.18	4,405.17	8,551.20	4,749.14
	Change in Inventory	20.01	1,141.23	(1,038.86)	243.76	(415.57)
	Employee benefits expense	21	406.11	477.82	406.87	314.18
	Finance costs	22	315.19	393.07	379.78	407.16
	Depreciation and amortization expense	23	156.00	188.75	186.64	184.18
	Other expenses	24	632.89	1,268.12	844.44	525.33
	Total expenses		**6,459.60**	**5,694.08**	**10,612.68**	**5,764.42**
V	**Profit before tax (III-IV)**		**1,277.87**	**975.11**	**699.32**	**(10.77)**
VI	Tax expense:					
	(1) Current tax	25	194.69	102.50	101.16	-
	(2) Deferred tax	25	(10.61)	8.06	16.15	-
	(3)MAT Credit Entitlement	25	(102.29)	(101.16)	-	-
	Previous year tax Adjustment		-	-	-	-
VII	**Profit (Loss) for the period (V-VI)**		**1,196.08**	**965.71**	**582.00**	**(10.77)**
	(1) Remeasurements of the defined benefit plans				-	-
	(2) Income tax relating to items that will not be reclassified to profit or loss				-	-
VIII	**Total other comprehensive Income**		-	-	-	-
IX	**Total comprehensive income for the year (VII+VIII)**		**1,196.08**	**965.71**	**582.00**	**(10.77)**
X	**Earnings per equity share:**					
	(1) Basic (Adjusted)		**4.65**	**6.68**	**4.85**	**(0.09)**
	(2) Diluted (Adjusted)		**4.65**	**6.68**	**4.85**	**(0.09)**

Annexure III Restated Statement of Cashflow

(₹ in Lakhs)

Particulars	**As at January 31, 2025**		**As at March 31, 2024**		**As at March 31, 2023**		**As at March 31, 2022**	
Cash flow from Operating Activities								
Net Profit Before tax as per Statement of Profit & Loss		**1,277.87**		**975.11**		**699.32**		**(10.77)**
Adjustments for:								
Depreciation & Amortisation Exp.	156.00		**188.75**		186.64		184.18	
Interest Income	(3.92)		**(7.57)**		(3.73)		(9.24)	
Profit on Sale of Fixed Assets	-		-		-		-	
(Profit)/Loss on Sale of Fixed Assets	0.55		-		-			
Provision for Gratuity	2.45		9.33		2.84		9.88	
Finance Cost	315.19	470.27	**393.07**	583.59	379.78	565.53	407.16	591.98
Operating Profit before working capital changes		**1,748.13**		**1,558.70**		**1,264.84**		**581.21**
Changes in Working Capital								
Dec/(Inc) Trade receivable	(2,937.21)		507.50		(2,350.30)		(1,436.59)	
Dec/(Inc)loans	(108.71)		(104.49)		(11.19)		(11.62)	
Inventories	(626.36)		(1,474.72)		(27.66)		(504.12)	
Dec/(Inc) Other Current Assets	(47.69)		(547.99)		(288.50)		356.12	
Dec/(Inc) Current Investments	(4.03)		306.23		(215.41)		81.57	
Dec/(Inc) Other Financial Assets	(81.61)		(11.03)		(5.79)		3.11	
Inc/(Dec)Trade Payables	(699.53)		(533.43)		1,009.34		431.77	
Inc/(Dec) Other Current Liabilities	61.52		(44.12)		295.25		318.52	
Inc/(Dec) Provision	76.18		22.09		44.46		3.57	
Opening Restatement diff due to IND as Conversion							1.05	
		(4,367.44)		(1,879.96)		(1,549.81)		(756.61)
Net Cash Flow from Operation		**(2,619.30)**		**(321.27)**		**(284.97)**		**(175.40)**
Less: Income Tax paid		102.50		1.34	-		-	-
Net Cash Flow from Operating Activities (A)		**(2721.80)**		**(322.60)**		**(284.97)**		**(175.40)**
Cash flow from investing Activities								
Purchase of Fixed Assets	(45.53)		(353.16)		(37.22)		(47.84)	
Sale of Fixed Assets	323.35		8.70		-		-	
Interest Income	3.92		7.57		3.73		9.24	
		281.74		(336.90)		(33.49)		(38.60)

Particulars	As at January 31, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Cash Flow from Investing Activities (B)	281.74	(336.90)	(33.49)	(38.60)
Cash Flow From Financing Activities				
Proceeds From long Term Borrowing (Net)	(1180.99)	(393.09)	590.91	1,594.96
Short Term Borrowing (Net)	(32.33)	1,210.75	15.45	(907.07)
Interest Paid	(315.19)	(393.07)	(379.78)	(407.16)
Equity Share issued	1,502.09	400.00		
	2385.15	824.58	226.59	280.73
Net Cash Flow from Financing Activities (C)	2,358.73	824.58	226.59	280.73
Net (Decrease)/ Increase in Cash & Cash Equivalents(A+B+C)	2,358.73	**165.08**	**(91.87)**	**66.73**
Opening Cash & Cash Equivalents	**(81.33)**	62.36	154.23	87.49
Cash and cash equivalents at the end of the period	227.45	**227.45**	**62.36**	**154.23**
Cash And Cash Equivalents Comprise:	**146.12**			
Cash		227.05	61.64	153.14
Bank Balance:	146.31			
Current Account		0.39	0.72	1.09
Deposit Account	0.32			-
Total		**227.45**	**62.36**	**154.23**

GENERAL INFORMATION

Registered Office of our Company
101/102, Silvercoin Complex
Opp.Crystal Mall, Kalawad Road
Rajkot, Gujarat – 360 005, India
Telephone: +91 281 2562538/39
Email: cs@anloncro.com
Website: www.anlon.in

Corporate identity number and registration number

Corporate Identity Number: U24230GJ2013PLC077543
Registration Number: 077543

Address of Registrar of Companies

Our Company is registered with the Registrar of Company Ahmedabad, Gujarat situated at the following address:

Registrar of Companies
ROC Bhavan, Opp Rupal Park Society
Behind Ankur Bus Stop
Naranpura, Ahmedabad - 380 013
Gujarat, India
Email: roc.ahmedabad@mca.gov.in

Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

Name And Designation	DIN	Address
Punitkumar R. Rasadia *Chairman and Managing Director*	06696258	The Temple, Wing A 402, Near Arjun Party Plot, New Ring Road, Rajkot – 360 005, Gujarat, India
Meet Atulkumar Vachhani *Whole-time Director*	06695053	Block No. – 113, Janakpuri Society, University Road, Sadhu Vasvani Road, Rajkot – 360 005, Gujarat, India
Mamata Punitkumar Rasadia *Non-Executive Director*	10689587	The Temple Wing-A 402, Near Arjun Party Plot, New Ring Road, Arjun Party Plot, Rajkot – 360 005, Gujarat, India
Kannepalli Krishna Murty *Non-Executive Independent Director*	10690721	A-603, Prerna Shikhar, beside Bodakdev Fire Station, Bodakdev, Ahmedabad City, Ahmedabad – 380 054, Gujarat, India
Shailesh Kantilal Thakkar *Non-Executive Independent Director*	00294480	Shree Ram Park, Near Siddhnath Mahadev Temple, University Road, Rajkot – 360 005, Gujarat, India
Anandbhai Natwerlal Katkoria *Non-Executive Independent Director*	10728186	Plot No. 7/B, New College Wadi Main Road, Kalawad Road, Near K.K.V. Hall, Rajkot – 360 005, Gujarat, India

For brief profile and further details of our Board of Directors, see "***Our Management***" on page 220.

Company Secretary and Compliance Officer

Amita Chhaganbhai Pragada is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Address: 101/102, Silvercoin Complex
Opp.Crystal Mall, Kalawad Road
Rajkot, Gujarat – 360 005, India

Telephone: +91-281-2562538/39
Email: cs@anloncro.com

Investor Grievances

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, redressals of complaints, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Issue related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Issue-related grievances of the Anchor Investors may be addressed to the Registrar, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Managers where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Manager to the Issue

Interactive Financial Services Limited
Office No. 508, Fifth Floor, Priviera
Nehru Nagar, Ahmedabad - 380 015
Gujarat, India
Tel: +079- 4908 8019 / +91 98980 55647
E-mail: mbd@ifinservices.in
Website: www.ifinservices.in
Investor Grievance E-mail: info@ifinservices.in
Contact Person: Jaini Jain
SEBI Registration No.: INM000012856

Statement of responsibilities

Interactive Financial Services Limited is the sole Book Running Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Legal Counsel to the Issue

Vidhigya Associates, Advocates
105, A Wing, Kanara Business Centre
Ghatkopar East, Mumbai – 400 075
Maharashtra, India
Telephone: +91 84240 30160
Email: rahul@vidhigyaassociates.com

Website: www.vidhigyaassociates.com
Contact Person: Rahul Pandey

Registrar to the Issue

KFin Technologies Limited
Selenium, Tower B, Plot No- 31 and 32
Financial District Nanakramguda, Serilingampally
Hyderabad – 500 032
Telangana, India
Telephone: +91 40 6716 2222 / 1800 309 4001
Email: ahl.ipo@kfintech.com
Investor grievance email: einward.ris@kfintech.com
Contact person: M Murali krishna
Website: www.kfintech.com
SEBI Registration no.: INR000000221

Statutory Auditor to our Company

Kaushal Dave & Associates
R.K Empire, Office No 512,
Opp.Sanskar Heights, 150 ft Ring Road
Near Mavadi Circle,
Rajkot – 360 004
Gujarat, India
Contact Person: Kaushal Dave
Telephone: +91 94295 14418
Email: office@cakda.in
Firm registration number: 143936W
Peer review number: 017477

Changes in Auditors

Except detailed below, there has been no change in the statutory auditors of the Company in the last three years preceding the date of this Draft Red Herring Prospectus

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
Kaushal Dave & Associates *Firm Registration Number: 143936W*	Office No 512, R K Empire, Opp Sanskar Heights, Near Mavdi Circle, Rajkot – 360 004, Gujarat, India *Email: office@cakda.in*	July 31, 2023	Appointment in the Annual General Meeting as Statutory Auditor
Kaushal Dave & Associates *Firm Registration Number: 143936W*	Office No 512, R K Empire, Opp Sanskar Heights, Near Mavdi Circle, Rajkot – 360 004, Gujarat, India *Email: office@cakda.in*	June 02, 2023	Appointment as Statutory Auditor due to causal vacancy
K.M Chauhan & Associates, Firm Registration Number 125924W	203, Krishna con-arch, Near Post office, Universilty Road, Rajkot - 360005	May 21,2023	Resignation due to pre-occupation of work

Bankers to the Issue / Refund Bank / Sponsor Bank

The Bankers to the Issue / Refund Bank / Sponsor Bank will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Bankers to our Company

Punjab National Bank
2nd Floor, JP Sapphire
Near GST Bhavan, 150 Ring Road
Rajkot - 360 001
Gujarat, India
Telephone: +91 90231 97329
Contact person: Amit Kumar Mehta
Designation: Chief Manager
Website: www.pnbindia.in
Email: mcc8098@pnb.co.in

Bankers to Issue, Escrow Collection Bank, Public Issue Bank, Refund Bank and Sponsor Bank

The Bankers to the Issue will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Syndicate Members

The Syndicate Members will be appointed prior to filing of the Red Herring Prospectus with the RoC.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or 87 through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

Applications through the UPI Mechanism in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Self-Certified Syndicate Banks enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. 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 websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Grading of the Issue

No credit agency registered with SEBI has been appointed for grading for the Issue.

Expert

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

Our Company has received written consent dated February 17, 2025 from, Kaushal Dave & Associates, Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated February 17, 2025 on our Restated Financial Information and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

Our Company has received written consent dated February 12, 2025 from P. P. Bhadresa & Associates, Independent Chartered Engineer to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and their capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilization of manufacturing unit of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning under the U.S. Securities Act, as amended (the "**U.S. Securities Act**").

Monitoring Agency

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Gross Proceeds prior to filing of the Red Herring Prospectus with the RoC, as the proposed Issue exceeds ₹10,000 Lakhs.

Appraising Entity

Our Company has not appointed any appraising agency.

Credit Rating

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

Green Shoe Option

No green shoe option is contemplated under the Issue.

Debenture trustees

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

Filing of Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus

A copy of this Draft Red Herring Prospectus has been uploaded on the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with regulation 25 (8) of SEBI ICDR Regulations and SEBI Master Circular dated June 21, 2023 and shall be submitted to SEBI on cfddil@sebi.gov.in in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD". Further, physical copies of this Draft Red Herring Prospectus may be filed with the Securities and Exchange Board of India at:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC through the electronic portal at http://www.mca.gov.in/mcafoportal/login.do.

Book Building process

"Book building" refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot and Employee Discount (if any) will be decided by our Company in consultation with the BRLM, and advertised in all editions of [●], a English national daily newspaper, all editions of [●], a Hindi national daily newspaper and all editions of [●], a Gujarati daily newspaper (Gujarati being the regional language of Rajkot, Gujarat wherein our Registered Office is located) each with wide, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/ Issue Closing Date. For details, see "***Issue Procedure***" on page 326.

All Bidders, other than Anchor Investors, shall participate in the Issue mandatorily through the ASBA process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Banks, as the case may be. Anchor Investors are not permitted to participate in the Issue through the ASBA process. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting

Depository Participants and Registrar and Share Transfer Agents.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion (if any) can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis and allocation to Anchor Investors in the Anchor Investor Portion will be on a discretionary basis.

For further details, see "***Terms of the Issue***", "***Issue Structure***" and "***Issue Procedure***" on pages 316, 323, and 326 respectively.

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. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

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

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see ***"Terms of the Issue"*** and "***Issue Procedure***" on page 316 and 326.

Underwriting Agreement

Prior to the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, our Company intends to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event the respective Syndicate Member do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before the filing of the Red Herring Prospectus or Prospectus with the RoC, as applicable.)

Name, address, telephone number and email address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (₹ Lakh)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	**[●]**	**[●]**

The above-mentioned amount is indicative and will be finalised after determination of the Issue Price and finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above.

Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The Underwriting Agreement has not been entered into as on the date of this Draft Red Herring Prospectus. The Underwriting Agreement shall be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Issue shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus is as set forth below:

S. No.	Particulars	Amount (₹)	
		Aggregate nominal value	Aggregate value at Issue Price
A.	**AUTHORISED SHARE CAPITAL[(1)]**		
	5,50,00,000 Equity Shares of face value of ₹10/- each	55,00,00,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	3,98,51,500 Equity Shares of face value of ₹10/- each	39,85,15,000	-
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS[(2)]**		
	Fresh Issue of up to 1,40,00,000* Equity Shares of face value of ₹10 each	14,00,00,000	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	[●] Equity Shares of face value of ₹10/- each	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	288.83	
	After the Issue#	[●]	

**Subject to finalisation of Basis of Allotment and the Issue Price.*

(1) *For details in relation to the changes in the authorised share capital of our Company, see "**History and Certain Corporate Matters- Amendments to our Memorandum of Association**"* on page 216.

(2) *The Issue has been authorised by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated August 26, 2024 and September 21, 2024, respectively.*

Notes to Capital Structure

1. Share Capital History of our Company

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

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
November 19, 2013	50,000	10	10	Cash	Initial Subscriber to MOA	50,000	5,00,000	Allotment of 10,000 Equity Shares to Meet Atulkumar Vachhani, 10,000 Equity Shares to Akash Bhalara, 10,000 Equity Shares to Paresh Bhalara, 10,000 Equity Shares to Punitkumar Rasadia, 5,000 Equity Shares to Ridham Desai and 5,000 Equity Shares to

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Vaibhav Ramani
January 10, 2016	18,200	10	10	Cash	Rights Issue	68,200	6,82,000	Allotment of 18,200 Equity Shares to Asia Pharmparter Co. Ltd.
November 14, 2016	39,31,800	10	10	Cash	Rights Issue	40,00,000	4,00,00,000	Allotment of 19,65,900 Equity Shares to Punitkumar Rasadia, 9,82,950 Equity Shares to Vaibhav Ramani and 9,82,950 Equity Shares to Meet Vachhani
May 01, 2017	23,81,800	10	10	Consideration other Cash	Conversion of unsecured external commercial borrowings into Equity Shares	63,81,800	6,38,18,000	Allotment of 2,381,800 Equity Shares to M/s Asia Pharmparter Co. Ltd.
May 01, 2017	16,18,200	10	10	Cash	Rights Issue	80,00,000	8,00,00,000	Allotment of 8,09,100 Equity shares to Punitkumar Rasadia, 4,04,550 Equity shares to Vaibhav Ramani and 4,04,550 Equity Shares to Meet Vachhani
July 10, 2018	1,60,000	10	42.86	Cash	Rights Issue	81,60,000	8,16,00,000	Allotment of 1,60,000 Equity Shares to M/s Asia Pharmparter Co. Ltd.
July 26, 2018	1,60,000	10	42.83	Cash	Rights Issue	83,20,000	8,32,00,000	Allotment of 1,60,000 Equity Shares to M/s Asia Pharmparter Co. Ltd.
August 06, 2018	1,60,000	10	42.95	Cash	Rights Issue	84,80,000	8,48,00,000	Allotment of 1,60,000 Equity shares to M/s Asia Pharmparter Co. Ltd.
September	80,000	10	44.76	Cash	Rights	85,60,000	8,56,00,000	Allotment of 8

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
05, 2018					Issue			0,000 Equity Shares to M/s Asia Pharmparter Co. Ltd.
December 01, 2018	24,00,000	10	13	Cash	Private Placement	1,09,60,000	10,96,00,000	Allotment of 24,00,000 Equity Shares to Archerchem Healthcare Private Limited
September 23, 2019.	10,40,000	10	13	Consideration other Cash	Conversion of unsecured external commercial borrowings into Equity Shares	1,20,00,000	12,00,00,000	Allotment of Equity Shares 10,40,000 to M/s Asia Pharmparter Co. Ltd.
August 23, 2023	40,00,000	10	10	Cash	Rights issue	1,60,00,000	16,00,00,000	Allotment of 6,72,000 Equity Shares to Meet Vachhani, 13,28,000 Equity Shares to Punitkumar Rasadia, and 18,00,000 Equity Shares to Shree Dwarikadish Ventures LLP & 2,00,000 Equity Shares to Ban Labs Private Limited
July 19, 2024	2,00,00,000	10	10	Cash	Rights Issue	3,60,00,000	36,00,00,000	Allotment of 67,20,000 Equity Shares to Meet Vachhani and 1,32,80,000 Equity Shares to Punitkumar Rasadia
July 30, 2024	38,51,500	10	49	Cash	Private Placement	3,98,51,500	39,85,15,000	Allotment of 45,000 Equity Shares to Kishorkumar Dhanjibhai Ghodsara, 51,250 Equity shares to Chetanumar Nandlal Bhadja, 51,250 Equity shares to Prince

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Alkeshbhai Bhojani, 51,250 Equity shares to Mahesh P Bhadja, 51,250 Equity shares to Varshaben D Chovatiya, 51,250 Equity shares to Dineshbhai P Chotvatiya, 3,07,500 Equity shares to Novatek International, 35,875 Equity shares to Sanni Natvarlal Senjariya, 20,500 Equity shares to Champaben Vrajlal Changela, 20,500 Dedakiya Nehalben Mayurbhai, 20,500 Equity shares to Dedakiya Kanchanben Rameshbhai, 20,500 Equity shares to Chandi Pinalkumar Changela, 20,500 Equity shares to Dedakiya Kajalben Hirenbhai, 41,000 Equity shares to Atul Bhimji Gohil, 20,500 Equity shares to Sachin H Tanna, 20,500 Equity shares to Sunny Adatiya, 41,000 Equity shares to Amar Suryakant Unadkat, 20,500 Equity shares to Jinal Ravi

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Bhatti, 20,500 Equity shares to Rishit Dilipbhai Kakkad, 51,250 Equity shares to Rasadiya Keyurkumar Chimanbhai, 51,250 Equity shares to Rasadiya Shobhnaben Chimanbhai, 51,250 Equity shares to Rasadiya Amee Keyurkumar, 51,250 Equity shares to Rasadiya Chimanbhai Trikambhai, 1,02,500 Equity shares to Bharati Deepak Mehta, 41,000 Equity shares to Vachhani Alpesh Jaydevbhai, 20,500 Equity shares to Nitesh Arvind Gaglani, 51,250 Equity shares to Khushboo Shah, 20,500 Equity shares to Chetna Shah, 51,250 Equity shares to Ruchi Nimish Siria, 10,250 Equity shares to Bhumi Jasvantlal Shah, 20,500 Equity shares to Dhruvi Impex, 10,250 Equity shares to Vaibhav Sanghvi, 5,125 Equity shares to Maniyar Kushal Nareshbhai, 5,125 Equity shares to Sanghvi Yash

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Nileshbhai, 5,125 Equity shares to Manan Sanghavi, 10,250 Equity shares to Shah Nitesh Popatlal, 10,250 Equity shares to Shah Pankaj Sureshkumar, 10,250 Equity Shares to Shah Vishal Ashwinbhai, 10,250 Equity shares to Shah Juli Vishal, 10,250 Equity shares to Vasuben Vasantbhai Shah, 20,500 Equity shares to Patel Shaileshkumar Babulal, 10,250 Equity shares to Patel Jimit Anilkumar, 10,250 Equity shares to Desai Shilpaben Nagjiben, , 10,250 Equity shares to Desai Nagjibhai Bhurabhai, 20,500 Equity shares to Desai Vishnubhai A, 10,250 Equtiy shares to Aditya Shah, 20,500 Equity shares to Tejas Mukesh Shah, 1,12,750 Equity shares to Bhavik Kishorbhai Nathvani; 1,02,500 Equity shares to Korat Harsha Hiteshkumar; 10,250 Equity shares to

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Shardaben Mansukhlal Parmar; 71,750 Equity shares to Arjunbhai Damjibhai Khanpura; 1,23,000 Equity to Arohana Ventures; 51,250 Equity to Nilesh Bhanubhai Cholera; 51,250 Equity shares to Tejasbhai Ajitbhai Shah; 41,000 Equity shares to Minakshi Piyush Thakkar; 20,500 Equity shares to Vishwas Odhavjibhai Sagparia; 51,250 Equity shares to Kishan Dineshbhai Pethani; 41,000 Equity shares to Nishit B Pabari; 51,250 Equity shares to Gaurang Thakkar; 51,250 Equity shares to Trendwith Consultancy Limited; 51,250 Equity shares to Yashashvi Finvest Private Limited; 41,000 Equity shares to Ranjanben J Gokani; 51,250 Equity shares to Siddharth Shripalbhai Mehta-HUF; 51,250 Equity shares to Pankajkumar Maganlal Babaria; 51,250 Equity shares to Bela P. Shah;

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								51,250 Equity Shares to Jayshriben Jagjivanbhai Joshi; 75,000 Equity shares to Ritaben Amrutlal Chag; 51,250 Equity shares to Shushti Chintan Shah; 10,250 Equity shares to Maulik Pravinbhai Kachhela ; 51,000 Equity shares to Kalpeshbhai Damjibhai Bhuva; 1,02,500 Equity shares to Deep Maheshkumar Vasani; 52,000 Equity shares to Windson Enterprises Private Limited; 20,500 Equity shares to Sahil Tarunbhai Shah; 20,500 Equity shares to Sunny Sanjaybhai Mehta; 20,500 Equity shares to Mrugeshkumar A Dholakia; 20,500 Equity shares to Unadkant Dipti M.; 20,500 Equity shares to Kiran Dipakkumar Mendpara; 20,500 Equity shares to Manisha Maulik Madhani; 41,000 Equity shares to Rupapara Jay Rameshbhai; 20,500 Equity shares to Vyas Sejal Abhishek;

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								20,500 Equity shares to Khajuria Aadit Himanshu; 20,500 Equity shares to Payal Mrugesh Dholakia; 82,000 Equity shares to Hetal Sharad Patel; 20,500 Equity shares to Rima Kaushal Dholakia; 20,500 Equity shares to Patel Diptesh P; 41,000 Equity shares to K D Gajipara; 20,500 Equity shares to Dhami Rahul Devjibhai; 20,500 Equity shares to Bharatbhai N halodi; 20,500 Equity shares to Rajendrasinh Dhirubha Rathod; 20,500 Equity shares to Akabari Induben Naranbhai; 20,500 Equity shares to Rajesh Mansukhlal Vadukiya; 20,500 Equity shares to Chintan R Vaghani; 20,500 Equity shares to Jatin Dwarkadas Dholakia; 61,500 Equity shares to Pankajkumar Maganlal Babaria; 20,500 Equity shares to Sabhaya Rishi Parshotambhai; 20,500 Equity shares to Sabhaya

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Name of allottees
								Parsotambhai Popatbhai; 61,500 Equity shares to Madhu Suresh Vekaria; 41,000 Equity sharres to Miloni Apoorva Khilosiya; 20,500 Equity shares to Sureshkumar Khilosiya; 20,500 Equity shares to Khilosiya Kirtiben Sureshkumar; 10,250 Equity shares to Meera Chaitanya Khalpada; 10,250 Equity shares to Shobhanaben Chatvani.

2. **Secondary transactions of Equity Shares**

The details of secondary transactions of Equity Shares by our Promoters and members of the Promoter Group are set forth in the table below

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)*	Transfer price per equity share (₹)	Nature of consideration
December 2, 2013	1,000	Meet Atulkumar Vachhani	Parshottambhai M.Ramotia (HUF)	Transfer	10	10	Cash
December 2, 2013	1,000	Meet Atulkumar Vachhani	Parshottambhai M.Ramotia	Transfer	10	10	Cash
December 30, 2013	2,250	Paresh Bhalara	Meet Atulkumar Vachhani	Transfer	10	10	Cash
December 30, 2013	3,500	Paresh Bhalara	Punitkumar R. Rasadia	Transfer	10	10	Cash
January 2, 2014	2,500	Meet Atulkumar Vachhani	Dipak Vachhani	Transfer	10	10	Cash
May 25, 2015	1,000	Parshottambhai	Meet Atulkuma	Transfer	10	10	Cash

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)*	Transfer price per equity share (₹)	Nature of consideration
		M.Ramotia (HUF)	r Vachhani				
May 25, 2015	1,000	Parshottam bhai M.Ramotia	Meet Atulkuma r Vachhani	Transfer	10	10	Cash
May 25, 2015	250	Bhavdip Panchani	Meet Atulkuma r Vachhani	Transfer	10	10	Cash
May 25, 2015	2,500	Dipak Vachhani	Meet Atulkuma r Vachhani	Transfer	10	10	Cash
November 5, 2015	11,500	Riddham Desai	Punitkum ar R. Rasadia	Transfer	10	10	Cash
August 29, 2020	8,76,000	Vaibhav Ramani	Meet Atulkuma r Vachhani	Transfer	10	10	Cash
August 29, 2020	5,24,000	Vaibhav Ramani	Punitkum ar R. Rasadia	Transfer	10	10	Cash
September 30, 2020	2,50,000	Vijaylaxmi Narendra Dhedia	Punitkum ar R. Rasadia	Transfer	10	13	Cash
December 1, 2020	32,40,000	Punitkumar Rasadia	Shree Dwarikad his Ventures LLP	Transfer	10	5.54	Cash
December 1, 2020	21,60,000	Meet Atulkumar Vachhani	Shree Dwarikad his Ventures LLP	Transfer	10	5.54	Cash
December 3, 2020	4,50,000	Archerche m Healthcare Private Limited	Punitkum ar R. Rasadia	Transfer	10	13	Cash
December 7, 2020	6,00,000	Punitkumar Rasadia	Bans Labs Private Limited	Transfer	10	5.54	Cash
October 14, 2021	8,00,000	Archerche m Healthcare Private Limited	Punitkum ar R. Rasadia	Transfer	10	13	Cash
October 14, 2021	8,00,000	Archerche m Healthcare Private Limited	Meet Atulkuma r Vachhaani	Transfer	10	13	Cash
October 14, 2021	1,00,000	Archerche m Healthcare Private	Meet Atulkuma r Vachhaani	Transfer	10	13	Cash

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)*	Transfer price per equity share (₹)	Nature of consideration
		Limited					
July 05, 2024	24,00,000	Punitkumar R. Rasadia	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Punitkumar R. Rasadia	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Punitkumar R. Rasadia	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Punitkumar R. Rasadia	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	80,000	Punitkumar R. Rasadia	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	40,000	Punitkumar R. Rasadia	Meet Atulkumar Vachhani	Transfer	10	10.00	Cash
July 05, 2024	10,40,000	Meet Atulkumar Vachhani	Asia Pharmparter Co. Ltd	Transfer	10	6.73	Cash
July 05, 2024	40,000	Meet Atulkumar Vachhani	Punitkumar R. Rasadia	Transfer	10	10	Cash

3. Preference Share Capital

As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

4. Issue of shares for consideration other than cash or out of revaluation of reserves

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Name of allottees	Benefits accrued to our Company
May 1, 2017	23,81,800	10	10	Conversion of Unsecured ECB Loan into Equity Shares	Allotment of 2,381,800 Equity Shares to Asia Pharmparter Co. Ltd as conversion of ECB into Equity shares	Reduction of liability
September 23, 2019	10,40,000	10	13	Conversion of unsecured ECB loans to Equity Shares	Allotment of Equity Shares 10,40,000 to M/s Asia Pharmparter Co. Ltd	Reduction of liability

5. Issue of Equity Shares pursuant to scheme of arrangement

Our Company has not issued any Equity Shares pursuant to any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or section 230-234 of the Companies Act, 2013, as applicable.

6. Issue or transfer of Equity Shares under employee stock option schemes

The Company does not have any employee stock option schemes under which any equity shares of the Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

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

The Issue Price for the Equity Shares is ₹[●]. For details of the allotments made in the last one year, see "***Capital Structure – Share Capital History of Our Company – Equity Share capital***" on page 94 of this Draft Red Herring Prospectus.

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8. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class: Equity Shares	Class: Others	Total								
(A)	**Promoters and Promoter Group#**	2	2,80,00,000	-	-	2,80,00,000	70.26	-	-	-	-	-	-	-	-	-	-	2,80,00,000
(B)	**Public**	117	1,18,51,500	-	-	1,18,51,500	29.74	-	-	-	-	-	-	-	-	-	-	1,18,51,500
(C)	**Non-Promoter Non-Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying depository receipts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by employee trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**119**	**3,98,51,500**	-	-	**3,98,51,500**	**100.00**	-	-	-	-	-	-	-	-	-	-	**3,98,51,500**

#Does not include our Promoter Mamata Punitkumar Rasadia and the members of the Promoter Group of our Company as none of them hold any shares in the Company as on date.

Other details of shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 119 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
Punitkumar R. Rasadia								
November 19, 2013	10,000	10	10	Cash	Initial Subscription to the MoA	10,000	0.02	[●]
December 30, 2013	3,500	10	10	Cash	Transferred from Paresh Bhalara	13,500	0.03	[●]
November 05, 2015	11,500	10	10	Cash	Transferred from Ridham Desai	25,000	0.06	[●]
November 14, 2016	19,65,900	10	10	Cash	Rights Issue	19,90,900	4.99	[●]
May 01, 2017	8,09,100	10	10	Cash	Rights Issue	28,00,000	0.70	[●]
August 29, 2020	5,24,000	10	10	Cash	Transferred from Vaibhav Ramani	33,24,000	0.83	[●]
September 30, 2020	2,50,000	10	13	Cash	Transferred from Vijayalaxmi Narendrabhai Dedhia	35,74,000	0.89	[●]
December 01, 2020	(32,40,000)	10	5.54	Cash	Transfer to Shree Dwarikadhis Ventures LLP	3,34,000	0.08	[●]
December 03, 2020	4,50,000	10	13	Cash	Transferred from Archerchem Healthcare Private Limited	7,84,000	0.19	[●]
December 07, 2020	(6,00,000)	10	5.54	Cash	Transfer to BAN Labs Private Limited	1,84,000	0.04	[●]
October 14, 2021	8,00,000	10	13	Cash	Transferred from Archerchem Healthcare Private Limited	9,84,000	2.46	[●]
August 23, 2023	13,28,000	10	10	Cash	Rights Issue	23,12,000	5.80	[●]
July 05, 2024	24,00,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	47,12,000	11.82	[●]
July 05, 2024	1,60,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	48,72,000	12.22	[●]
July 05, 2024	1,60,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	50,32,000	12.62	[●]
July 05, 2024	1,60,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	51,92,000	13.02	[●]
July 05, 2024	80,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	52,72,000	13.22	[●]
July 05, 2024	40,000	10	10	Cash	Transferred from Meet Atukkumar Vachhani	53,12,000	13.32	[●]
July 19, 2024	1,32,80,000	10	10	Cash	Rights Issue	1,85,92,000	46.65	[●]

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
Sub-total (A)	**1,85,92,000**						**46.65**	**[●]**
Meet Atulkumar Vachhaani								
November 19, 2013	10,000	10	10	Cash	Initial Subscription to the MoA	10,000	0.02	[●]
December 02, 2013	(1,000)	10	10	Cash	Transfer to Parshottambhai M. Ramotiya (HUF)	9,000	0.02	[●]
December 02, 2013	(1,000)	10	10	Cash	Transfer to Parshottambhai M Ramotiya	8,000	0.02	[●]
December 30, 2013	2,250	10	10	Cash	Transferred from Paresh M. Bhalara	10,250	0.02	[●]
January 02, 2014	(2,500)	10	10	Cash	Transfer to Deepak Vachhani	7,750	0.01	[●]
May 25, 2015	1,000	10	10	Cash	Transferred from Parshottambhai M Ramotiya (HUF)	8,750	0.02	[●]
May 25, 2015	1,000	10	10	Cash	Transferred from Parshottambhai M Ramotiya	9,750	0.02	[●]
May 25, 2015	250	10	10	Cash	Transferred from Bhavdip Panchani	10,000	0.02	[●]
May 25, 2015	2,500	10	10	Cash	Transferred from Dipak D.Vachhani	12,500	0.03	[●]
November 14, 2016	9,82,950	10	10	Cash	Rights Issue	9,95,450	2.49	[●]
May 01, 2017	4,04,550	10	10	Cash	Rights Issue	14,00,000	3.51	[●]
August 29, 2020	8,76,000	10	10	Cash	Transferred from Vaibhav Ramani	22,76,000	5.71	[●]
December 01, 2020	(21,60,000)	10	5.54	Cash	Transfer to Shree Dwarikadhish Ventures LLP	1,16,000	2.91	[●]
October 14, 2021	8,00,000	10	13	Cash	Transferred from Archerchem Healthcare Private Linited	9,16,000	2.29	[●]
October 14, 2021	1,00,000	10	13	Cash	Transferred from Archerchem Healthcare Private Linited	10,16,000	2.54	[●]
August 23, 2023	6,72,000	10	10	Cash	Rights Issue	16,88,000	4.23	[●]
July 05, 2024	10,40,000	10	6.73	Cash	Transferred from Asia Pharmparter Co. Ltd.	27,28,000	6.84	[●]
July 05, 2024	(40,000)	10	10	Cash	Transfer to Punitkumar Rasadia	26,88,000	6.74	[●]
July 19, 2024, 2024	67,20,000	10	10	Cash	Rights Issue	94,08,000	23.61	[●]
Sub-total (B)	**94,08,000**						**23.61**	**[●]**

Date of allotment/ acquisition/ transfer	Number of Equity Shares allotted/ transferred	Face value per Equity Share (₹)	Issue Price/Consideration per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	% of pre-Issue capital (₹)*	% of post-Issue capital (₹)
Mamata Punitkumar Rasadia								
-	Nil	-	-	-	-	Nil	-	-
Sub-total (C)	Nil						-	-
Total (A + B+ C)	**2,80,00,000**						**70.26**	[●]

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Punitkumar R. Rasadia	1,85,92,000	46.65
2.	Meet Atulkumar Vachhani	94,08,000	23.61
3.	Shree Dwarikadhis Ventures LLP	40,00,000	10.04
4.	Amitaben Natwarlal Ukani	32,00,000	8.03
5.	BAN Labs Private Limited	8,00,000	2.01
Total		**3,60,00,000**	**90.34**

**Rounded off to the closest decimal*

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Punitkumar R. Rasadia	1,85,92,000	46.65
2.	Meet Atulkumar Vachhani	94,08,000	23.61
3.	Shree Dwarikadhis Ventures LLP	40,00,000	10.04
4.	Amitaben Natwarlal Ukani	32,00,000	8.03
5.	BAN Labs Private Limited	8,00,000	2.01
Total		**3,60,00,000**	**90.34**

**Rounded off to the closest decimal*

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Punitkumar R. Rasadia	23,12,000	14.45
2.	Meet Atulkumar Vachhani	16,88,000	10.55
3.	Shree Dwarikadhis Ventures LLP	72,00,000	45.00
4.	BAN Labs Private Limited	8,00,000	5.00
5.	Asia Pharmparter Co. Ltd.	40,00,000	25.00
Total		**1,60,00,000**	**100**

**Rounded off to the closest decimal*

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

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Punitkumar R. Rasadia	9,84,000	8.2
2.	Meet Atulkumar Vachhani	10,16,000	8.47
3.	Shree Dwarikadhis Ventures LLP	54,00,000	45
4.	BAN Labs Private Limited	6,00,000	5
5.	Asia Pharmparter Co. Ltd.	40,00,000	33.33
Total		**1,20,00,000**	**100**

The aggregate shareholding of our Promoters and Promoter Group

No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%)*	Percentage of the Post-Issue Equity Share capital (%)
Promoter				
1.	Punitkumar R. Rasadia	1,85,92,000	46.65	[●]
2.	Meet Atulkumar Vachhani	94,08,000	23.61	[●]
3.	Mamata Punitkumar Rasadia	-	-	-
Sub-total (A)		**2,80,00,000**	70.26	[●]
Promoter Group				
	-	-	-	-
Sub-total (B)		**-**	-	-
Total (A+B)		**2,80,00,000**	**70.26**	**[●]**

The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months

Except as set out below, none of the members of our Promoter Group, our Promoters, our Directors, or any of their respective relatives, as applicable, have purchased or sold any securities of our Company during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor	Details of transferee	Nature of transaction	Face value per equity share (₹)*	Transfer price per equity share (₹)	Nature of consideration
July 05, 2024	24,00,000	Asia Pharmparter Co. Ltd	Punitkumar R. Rasadia	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Asia Pharmparter Co. Ltd	Punitkumar R. Rasadia	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Asia Pharmparter Co. Ltd	Punitkumar R. Rasadia	Transfer	10	6.73	Cash
July 05, 2024	1,60,000	Asia Pharmparter Co. Ltd	Punitkumar R. Rasadia	Transfer	10	6.73	Cash
July 05, 2024	80,000	Asia Pharmparter Co. Ltd	Punitkumar R. Rasadia	Transfer	10	6.73	Cash
July 05, 2024	10,40,000	Asia Pharmparter Co. Ltd	Meet Atulkumar Vachhani	Transfer	10	6.73	Cash
July 05, 2024	40,000	Meet Atulkumar Vachhani	Punitkumar R. Rasadia	Transfer	10	10.00	Cash

Details of lock-in

Punitkumar R. Rasadia, Meet Atulkumar Vachhani and Mamata Punitkumar Rasadia are the Promoters of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, the said Promoters have complied with the requirement of minimum promoter's contribution in this Issue and in terms of Regulation 16(1)(a) the following Equity Shares are locked in for a period of eighteen (18) months from the date of allotment in the initial public issue.

The total number of Equity Shares held by our Promoters which is eligible for minimum promoters' contribution is [●] Equity Shares. Since the post-Issue shareholding of the Promoters eligible for minimum promoters' contribution is less than 20% of post-Issue Equity Share capital of our Company, in accordance with Regulation 14 of the SEBI ICDR Regulations, one of the Shareholders of our Company, Shree Dwarkadhis Ventures LLP ("**Shree Dwarkadhis**"), has provided its consent, through its letter, dated October 1, 2024 to meet the shortfall in minimum promoters' contribution subject to (a) 40,00,000 Equity Shares, to the extent required or (b) such other number of Equity Shares, to the extent required and as may be approved by Shree Dwarkadhis in writing which does not exceed 10% of the post-Issue Equity Share capital of our Company and subject to:

(i) Promoters offering for the minimum promoters' contribution of at least 10% of the post-Issue paid up Equity Share capital of our Company which shall be subject to the lock-in in accordance with the SEBI ICDR Regulations during the period commencing on the date of Allotment of the Issue and ending on the date the lock-in over the Equity Shares contributed by Shree Dwarkadhis ends; and
(ii) the Promoters offering all of their issued and paid-up Equity Shares held and as may be subsequently acquired by them in our Company which are eligible for minimum promoters' contribution under Regulation 15(1) of the SEBI ICDR Regulations, in respect of minimum promoters' contribution.

Name of Promoters/Entities	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
Promoters								
Punitkumar R. Rasadia	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Meet Atulkumar Vacchani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Shree Dwarikadhis Ventures LLP								
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	**[●]**				**[●]**	**[●]**	**[●]**	

Note*: To be updated at the Prospectus stage and subject to finalization of basis of allotment. All the equity shares were fully paid-up on the respective dates of allotment of such equity shares. All Equity Shares locked-in as part of minimum Promoters' contribution above will be subject to lock-in until the date falling eighteen months from the date of Allotment in the Issue.*

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 six (6) months from the date of Allotment in the initial public issue.

Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution in terms of Regulation 15 of the SEBI ICDR Regulations.

In this connection, it is confirmed that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalisation of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Issue.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters is pledged.

All the Equity Shares held by our Promoters are in dematerialised form.

Further, our Company has not been formed by conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or limited liability partnership.

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue equity share capital of our Company will be locked-in for a period of six months from the date of Allotment in the Issue, except: (a) the Promoters' contribution and any Equity Shares held by our Promoters in excess of Promoters' contribution which shall be locked in for eighteen months (18) and six months (6) in term of Regulation 17 of ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be transferred to the other Promoters or any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Issue and locked-in for a period of six (6) months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

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

There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

Except for the allotment of Equity Shares pursuant to the Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, undersubscription etc., as the case may be.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

All Equity Shares offered pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

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

There are no outstanding convertible securities, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

No person connected with the Issue, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be Allotted pursuant to the Issue shall be fully paid-up at the time of Allotment.

Except as set out below, our Company is in compliance with the Companies Act, 2013, to the extent applicable, with respect to issuance of Equity Shares from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

Our Company issued 24,00,000 Equity Shares on December 1, 2018, on private placement basis where the money was not deposited in a separate bank account as per the provisions of section 42(6) of the Companies Act, 2013 and the money raised through private placement was utilized without filing the return of allotment with the registrar in accordance with section 42(8) of the Companies Act 2013. For details, see "***Risk Factors – There may have been certain instances of irregularities, discrepancies and non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties***" on page 51.

Our Company shall ensure that all transactions in securities by the promoter and promoter group between the date of filing of the draft offer document or offer document, as the case may be, and the date of closure of the issue shall be reported to the stock exchange(s), within twenty-four hours of such transactions.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the Issue towards funding the following objects and achieve the benefits of listing the Equity Shares on the Stock Exchanges. The Issue comprises of fresh Issue of up to 1,40,00,000* Equity Shares of our Company at an Issue Price of ₹ [●]/-per Equity Share, aggregating up to ₹[●] lakhs by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹[●] lakhs (the "**Net proceeds**").

**Subject to finalisation of allotment*

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

1. Funding capital expenditure requirements for expansion of our Manufacturing Facility ("**Proposed Expansion"**);
2. Full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our Company;
3. Funding the working capital requirements of our Company; and
4. General corporate purposes.

(Collectively referred to as **"Objects"**)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company's visibility and brand image and creation of a public market for our Equity Shares in India.

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 proceeds of the issue are summarized in the table below:

(*₹ in lakhs*)

Sr. No.	Particulars	*Estimated Amount
1.	Gross proceeds from the Issue	[●]
2.	Less: Issue related expenses**	[●]
Net proceeds of the Issue		[●]

** To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with the RoC.*
***See "Issue Related Expenses" as detailed below.*

Utilization of Net Proceeds and Schedule of Deployment

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

(₹ in lakh)

Particular	Total Estimated Cost	Amount already deployed	Amount which will be financed from Net Proceeds (2)	Estimated Utilisation of Net Proceeds	
				Fiscal 2026	Fiscal 2027
Funding capital expenditure requirements for Proposed Expansion	3,071.95	-	3,071.95	-	3,071.95
Full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our Company	500.00	-	500.00	500.00	-
Funding the working capital requirements of our Company	4,315.00	-	4,315.00	1,030.00	3285.00
General corporate purposes (2) (3)	-	-	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**

1) *To be finalised upon determination of Issue Price and updated in the Prospectus prior to filing with the RoC.*
2) *The amount to be utilized for general corporate purposes alone shall not exceed 25% of the Gross Proceeds.*

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, current and valid quotations and other commercial and technical factors. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. For further details, see "***Risk Factors** - **Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds***" on page 60. Given the nature of our business, we may be required to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, changes in business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, receipt of regulatory approvals, changes in design and configuration, increase in input costs of construction materials and labour costs, incremental preoperative expenses, taxes and duties, start-up costs, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards the Objects of the Issue is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned Issue, as per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year (Fiscal 2026) is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year (Fiscal 2027), as may be determined by our Company, in accordance with applicable laws. Also, see "***Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval*** " on page 61.

Means of Finance

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue or through existing identifiable internal accruals.

Details of the Objects of the Issue

1. Funding capital expenditure requirements for Proposed Expansion

As on the date of this Draft Red Herring Prospectus, we have one manufacturing facilities situated at Survey No.36/2/P2, Near Bharudi Toll Plaza, Gondal Road NH27, Sadak Pipaliya, Rajkot 360 311, Gujarat, India for the production of our wide range of Products. Our total installed capacity as on date is 400 MTPA. Our Manufacturing Facility is spread over a land area of approximately 5,059 Sq.mts. Our Company has also taken an adjacent land area admeasuring 3,112 sq.mts. at survey no. 36/2/P5, Near Bharudi Toll Plaza, Gondal Road, NH27, Sadak Pipaliya, Rajkot 360 311, Gujarat, India, on the lease hold basis, which is at presently used as drum-yard and storage facility by the Company.

We intend to expand our manufacturing operations and production capacity by establishing a new manufacturing plant on Company's owned freehold industrial land. The proposed new manufacturing plant shall be with an intermediate block and API block having an installed capacity of 700 MTPA, thus increasing the total production capacity. We propose to utilize the additional capacity for manufacturing a range of existing as well as new Pharma Intermediaries and APIs. For further details, please refer "***Our Business – Strategies - Increasing our manufacturing capacity to focus on the growing demand of our***

core products" on page 193.

Land and Utilities

We intend to expand our manufacturing operations and production capacity by establishing a new manufacturing plant on Company's owned freehold industrial land situated at survey number 42/1/p2/p2 Village Pipaliya, Taluka Gondal, District Rajkot, Gujarat, India, admeasuring 4,958 sq.mts.
The land on which we propose to establish the proposed manufacturing plant will be set up on land that has already been acquired by our Company from individual owners through sale deeds dated December 24, 2024 entered into with individual owner using our internal accruals. Consequently, no component of the Net Proceeds shall be incurred towards purchase of land.

The said land is Company's owned industrial freehold land and is approximately at a distance of within 400 meters from the present Manufacturing Facility. For details, please refer "***Our Business-Properties***" on page 207.We shall obtain power and water supply which we may require for the Proposed Expansion.

Capacity

Our Manufacturing Facility has an aggregate installed capacity of 400 MTPA, as certified by Chartered Engineer vide certificate dated September 17, 2024 Pursuant to the Proposed Expansion, the proposed new manufacturing plant shall have an installed capacity of 700 MTPA.

As on date, the total installed capacity of our existing Manufacturing Facility 400 MTPA We intend to enhance our overall installed capacity of our manufacturing process by additional 700 MTPA aggregating to the total installed capacity to 1,100 MTPA. For details, see "***Our Business - Capacity Utilization***" on page 200. Also see "***Risk Factor - Information relating to the installed manufacturing capacity of our Manufacturing Facility included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary"*** on page 63.

Schedule of implementation of the Proposed Expansion

Based on management estimates, the activities with respect to the implementation of Proposed Expansion is scheduled to be completed on or before March 31, 2026. For risks associated with Proposed Expansion, please refer *"**Risk Factors – We may face several risks associated with the Proposed Expansion, which could hamper our growth, prospects, cash flows and business and financial condition**"* on page 41.

Estimated cost for the Proposed Expansion

The cost of setting up of the proposed expansion includes expenditure towards civil and structural work, equipment, plant and machinery for production, quality control, and utility. The total estimated cost for the Proposed Expansion is ₹3,071.95 lakhs comprising of cost of ₹321.95 lakhs(as certified by Chartered Engineer vide certificate dated February 19, 2025) and cost of ₹2,750.00 lakhs towards equipment, plant and machinery on the basis of quotation received for equipment, plant and machinery from vendors . The fund requirements, the deployment of funds and the intended use of the Net Proceeds for the Proposed Expansion, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers/vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements 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 and interest or exchange rate fluctuations, delay in regulatory approvals and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management subject to applicable laws.

We have not placed orders for any of the equipment, plant and machinery required for the Proposed Expansion. We have procured quotations from vendors and will be placing the orders with vendors based on the competitive cost and proposed delivery schedule of the equipment, plant and machinery. The machineries may have a longer delivery schedule and accordingly we have to place orders for the same in advance to avoid any time and cost over-runs in implementation of the Proposed Expansion. For further details see "***Risk Factors - Our Company is yet to place orders for the equipment, plant and machinery for the expansion of the Manufacturing Facility. Any delay in placing orders or procurement of such equipment, plant and machinery may delay the schedule of implementation and possibly increase the cost of commencing operations***" on page 41.

The total estimated cost for the Proposed Expansion comprises the following:

No.	Particulars	Total Estimated Cost	Amount proposed to be funded from the Net Proceeds
1.	Civil and structural work	₹321.95 lakhs[(1)]	₹321.95 lakhs
2.	Equipment, plant and machinery	₹2,750.00[(2)] lakhs	₹2,750.00 lakhs
	Total	**₹3,071.95 Lakhs**	**₹3,071.95 Lakhs**

1) Total estimated cost as per the certificate by Chartered Engineer vide certificate dated February 19, 2025.
2) On the basis of quotations received from vendors.
Note: As on date, Company has not deployed any fund towards intended objects.

Break-up of the estimated cost for the Proposed Expansion

The total estimated cost for the Proposed Expansion includes the following:

Civil and structural work

Civil and structural work for the Proposed Expansion includes costs towards work of the construction of Intermediate block on ground floor admeasuring 468 sq.mt, first floor admeasuring 468 sq.mt and second floor admeasuring 468 sq.mt and API blocks on ground admeasuring 274 sq.mt and first floor of the building admeasuring 274 sq.mt along with land development comprising of compound wall, hard murrum filling (*9" thick compacted GSB layer, 6" thick M25 RCC Trimix road*). The total estimated cost for civil and construction work for the Proposed Expansion is ₹312.95 lakhs inclusive of GST. The detailed break-up of the Construction area, cost per sq.mtr and total cost is set out as below;

Sr.No	Particulars	Constructed Area (in Sq.Mts)	Cost per Sq.Mt.	Total Cost (₹ in lakhs)
I.	**Intermediate Block**			
(A)	Ground Floor	468.00	13,000	60.84
(B)	1st Floor	468.00	13,000	60.84
(C)	2nd Floor	468.00	13,000	60.84
II.	**API Blocks**			
(A)	Ground Floor	274.00	13,000	35.62
(B)	1st Floor	275.00	13,000	35.75
(C)	Compound wall	255.62	3,500 (RMT)	8.95
(D)	Hard Murrum filling (9" thick compacted GSB layer, 6" thick M25 RCC(Trimix Rod)	1,250.20	800 (RMT)	10.00
	(+) GST			49.11
	Total	**1,953.00**		**321.95**

For details risk relating to civil and structural work, see "***Risk Factors - We may face several risks associated with the construction of the building forming a part of the Proposed Expansion, which could hamper our growth, prospects, cash flows and business and financial condition"*** on page 41.

Equipment, Plant and Machineries

Equipment required for the Proposed Expansion include equipment, plant and machineries for production, quality control and utilities. The cost breakup of the machineries for production, quality control and utilities along with installation and transportation charges and taxes, on the basis of the quotations received is ₹2,750.00 lakhs, is set forth as below;

Equipment and Machineries	Total Cost (₹ in lakhs)
Production	1,563.48
Quality Control machines	243.00
Utility Machines	485.73
Sub Total (a)	2292.21
GST@ 18% **(b)**	412.60
Installation and transportation charges **(c)**	45.20
Total **(a + b + c)**	**2,750.00**

An indicative list of such construction equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below;

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
A.	**EQUIPMENT AND MACHINERIES RELATING TO PRODUCTION**						
1	2 KL GMP MONO BLOCKS ANFD WITH SINGLE DRY MECH SEAL, INSULATION HOLLOW SHAFT & BLADE.	Maruti Technology	2.00	45.00	90.00	December 20, 2024	90 days
	2M2 CONDENSOR		2.00	1.50	3.00		
	200LTR RECEIVER		2.00	28.00	56.00		
2	3 KL GMP MONOBLOCKS ANFD WITH SINGLE DRY MECH SEAL, INSULATION HOLLOW SHAFT & BLADE.	Maruti Technology	1.00	23.80	23.80	December 20, 2024	90 days
	2M2 CONDENSOR		1.00	0.75	0.75		
	200LTR RECEIVER		1.00	1.40	1.40		
3	CENTRIFUGE MACHINE 48"SS 316 -B/L-4/PT GMP TYPE WITH STANDARD ACCESSORIES	Vishwakarma Engineering Industries	4.00	15.25	61.00	December 11, 2024	90 days
	ELECTRIC MOTOR 15 HP 1440 RPM FLP FOOT MOUNTED BHARAT BIJLEE MAKE		4.00	0.63	2.52		
	VFD DRIVE 15 HP DANFOSS MAKE WITH PANEL & FLP REMOTE BOX		4.00	0.86	3.42		
4	CENTRIFUGE MACHINE 36" SS 316 –MTD-4/PT GMP TYPE WITH STANDARD ACCESSORIES	Vishwakarma Engineering Industries	4.00	7.58	30.32	December 11, 2024	90 days
	ELECTRIC MOTOR 7.5 HP 1440 RPM FOOT MOUNTED FLP BHARAT BIJLEE MAKE		4.00	0.37	1.48		
	VFD DRIVE 7.5 HP DANFOSS MAKE WITH BREAK RESISTER< PANEL & FLP REMOTE BOX		4.00	0.73	2.92		
5	FLUID BED DRYER 150 KG , STEAM HEATED	Technic Pharma	4.00	16.45	65.80	December 20, 2024	90 days

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	(FBD)						
6	FLUID BED DRYER 250 KG , STEAM HEATED (FBD)	Technic Pharma	4.00	22.85	91.40	December 20, 2024	90 days
7	GLASS DISTILLATION SHELL & TUBE TYPE ASSEMBLY OVER 2KL GLR	Precious Scientific Glass Works	4.00	4.65	18.60	December 16, 2024	90 days
	GLASS DISTILLATION SHELL & TUBE TYPE ASSEMBLY OVER 3KL GLR		4.00	4.95	19.80		
	GLASS DISTILLATION SHELL & TUBE TYPE ASSEMBLY OVER 4KL GLR		4.00	5.85	23.40		
	GLASS DISTILLATION SHELL & TUBE TYPE ASSEMBLY OVER 5KL GLR		3.00	6.12	18.36		
8	GAS SCRUBBING SYSTEM FOR HCL : 100 KG/HR, SO2 : 25 KG/HR	Precious Scientific Glass Works	1.00	14.22	14.22	December 16, 2024	90 days
9	MS GLASSLINED JACKETED REACTION VESSEL MSGLR BE 2000LTR (ANCHOR TYPE STIRRER)	Precious Scientific Glass Works	4.00	14.85	59.40	December 16, 2024	90 days
	MS GLASSLINED JACKETED REACTION VESSEL MSGLR BE 3000LTR (ANCHOR TYPE STIRRER)		4.00	16.30	65.20		
	MS GLASSLINED JACKETED REACTION VESSEL MSGLR BE 4000LTR (ANCHOR TYPE STIRRER)		4.00	17.45	69.80		
	MS GLASSLINED JACKETED REACTION VESSEL MSGLR BE 5000LTR (ANCHOR TYPE STIRRER)		3.00	21.75	65.25		
	MS GLASSLINED VERTICAL RECEIVER TANK 250LTR CAP.		15.00	3.12	46.80		
10	SS WATER JET + STAEM JET EJECTOR VACCUM SYSTEM IN SS 316	Precious Scientific Glass Works	1.00	1.80	1.80	December 16, 2024	90 days
11	WATER JET + STAEM JET EJECTOR VACCUM SYSTEM IN GRAPHITE	Precious Scientific Glass Works	1.00	3.30	3.30	December 16, 2024	90 days
12	300 LTR CV BINS	PVR Enterprise	1.00	0.04	0.04	December 17, 2024	90 days
	5 KL HDPE SPIRAL TANK		1.00	0.48	0.48		
	10 KL HDPE SPIRAL TANK (FOR WATER)		2.00	0.96	1.91		
	10 KL HDPE SPIRAL						

<table>
<tr><th>No.</th><th>PARTICULARS OF MACHINERY</th><th>Party Name</th><th>Qty.</th><th>Price Per Piece (in `lakhs)</th><th>Total (in ₹ lakhs) (Excluding Tax)</th><th>Date of Quotation</th><th>Validity of Quotation</th></tr>
<tr><td></td><td>TANK (FOR SULPHURIC ACID)</td><td></td><td>2.00</td><td>1.14</td><td>2.27</td><td></td><td></td></tr>
<tr><td></td><td>20 KL HDPE SPIRAL TANK (FOR HCL AND EFFLUENT)</td><td></td><td>4.00</td><td>1.90</td><td>7.62</td><td></td><td></td></tr>
<tr><td></td><td>20 KL HDPE SPIRAL TANK (FOR ALUMINIUM CHLORIDE)</td><td></td><td>2.00</td><td>2.05</td><td>4.10</td><td></td><td></td></tr>
<tr><td rowspan="18">13</td><td>REACTORS (DUAL INSULATION)</td><td rowspan="18">Non-Conductors</td><td>500.00</td><td>0.02</td><td>11.25</td><td rowspan="18">December 19, 2024</td><td rowspan="18">-</td></tr>
<tr><td>REACTOR UTILITY MANIFOLD 80NB</td><td>50.00</td><td>0.02</td><td>0.98</td></tr>
<tr><td>JACKET SUPPLY RETURN 50NB</td><td>350.00</td><td>0.02</td><td>6.83</td></tr>
<tr><td>BRINE HEADER 100NB</td><td>250.00</td><td>0.02</td><td>4.28</td></tr>
<tr><td>CHILLING HEADER 150NB</td><td>250.00</td><td>0.01</td><td>3.41</td></tr>
<tr><td>PLANT INSIDE HEADER CHILLING 80NB</td><td>150.00</td><td>0.01</td><td>1.25</td></tr>
<tr><td>PLANT INSIDE HEADER BRINE 65NB</td><td>150.00</td><td>0.01</td><td>1.17</td></tr>
<tr><td>PLANT INSIDE HEADER TO MANIFOLD TAPPING 40NB</td><td>450.00</td><td>0.01</td><td>2.54</td></tr>
<tr><td>CHILLING LINE 25NB</td><td>100.00</td><td>0.00</td><td>0.50</td></tr>
<tr><td>UTILITY AREA BRINE TANK</td><td>60.00</td><td>0.03</td><td>1.52</td></tr>
<tr><td>UTILTIY AREA CHILLING TANK</td><td>60.00</td><td>0.02</td><td>1.16</td></tr>
<tr><td>STEAMLINE HEADER 100NB</td><td>120.00</td><td>0.01</td><td>0.95</td></tr>
<tr><td>STEAM TAPPING 50NB</td><td>150.00</td><td>0.01</td><td>0.87</td></tr>
<tr><td>STEAM TAPPING 40NB</td><td>150.00</td><td>0.01</td><td>0.83</td></tr>
<tr><td>STEAM TAPPING 25NB</td><td>100.00</td><td>0.00</td><td>0.39</td></tr>
<tr><td>HOT TANK</td><td>100.00</td><td>0.01</td><td>1.15</td></tr>
<tr><td colspan="4"></td></tr>
<tr><td colspan="4"></td></tr>
<tr><td rowspan="5">14</td><td>RECEIVER – 250 LTR SS 316</td><td rowspan="5">Raviraj Engineering</td><td>17.00</td><td>1.31</td><td>22.19</td><td rowspan="5">December 20, 2024</td><td rowspan="5">12 Weeks*</td></tr>
<tr><td>BOX CONDENSER = 14 + 4 = 18 M2 FOR 2KL REACTOR</td><td>8.00</td><td>4.59</td><td>36.72</td></tr>
<tr><td>BOX CONDENSER = 17 + 5 = 22 M2 FOR 4KL REACTOR</td><td>12.00</td><td>5.61</td><td>67.32</td></tr>
<tr><td>BOX CONDENSER = 20 + 6 = 26 M2 FOR 6KL REACTOR</td><td>12.00</td><td>6.63</td><td>79.56</td></tr>
<tr><td>BOX CONDENSER = 22 + 6 = 28 M2 FOR 8.5KL REACTOR</td><td>12.00</td><td>7.14</td><td>85.68</td></tr>
<tr><td rowspan="4">15</td><td>SPARKLER -1 – 36</td><td rowspan="4">Raviraj Engineering</td><td>4.00</td><td>7.75</td><td>31.00</td><td rowspan="4">December 20, 2024</td><td rowspan="4">90 Days*</td></tr>
<tr><td>MML – 250 KGS</td><td>4.00</td><td>3.60</td><td>14.40</td></tr>
<tr><td>SHIFTER - 24"</td><td>4.00</td><td>4.25</td><td>17.00</td></tr>
<tr><td>BLENDER – 2 KL</td><td>3.00</td><td>9.50</td><td>28.50</td></tr>
<tr><td>16</td><td>NON GMP 2 KL SS 316 REACTOR LIMPET COIL</td><td>Raviraj Engineering</td><td>5.00</td><td>12.50</td><td>62.50</td><td>December 19, 2024</td><td>90 days</td></tr>
<tr><td>17</td><td>NON GMP 4 KL SS 316 REACTOR LIMPET COIL</td><td>Raviraj Engineering</td><td>3.00</td><td>16.42</td><td>49.25</td><td>December 19, 2024</td><td>90 days</td></tr>
<tr><td>18</td><td>NON GMP 6 KL SS 316</td><td>Raviraj</td><td></td><td></td><td></td><td>December</td><td>90</td></tr>
</table>

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	REACTOR LIMPET COIL	Engineering	5.00	20.58	102.90	19, 2024	days
19	NON GMP 8.5 KL SS 316 REACTOR LIMPET COIL	Raviraj Engineering	3.00	23.76	71.27	December 19, 2024	90 days
				TOTAL (A)	**1,563.48**		
B.	**EQUIPMENT AND MACHINERIES RELATING TO QUALITY CONTROL**						
1	6940-J046A 1 P-2000 POLARIMETER WITH SPECTRA MANAGER CFR	Shree Siddhivinayak Enterprise	1.00	18.00	18.00	December 16, 2024	90 days
	SUITABLE PC & PRINTER TO BE PROCURED LOCALLY		1.00	0.50	0.50		
	OPTIONAL ITEM						
	MERCURY LAMP, OSRAM, HG-100, 40W		N.A	0.45	-		
	PBH-405 INTERFERENCE FILTER, 405NM		N.A	0.35	-		
	PBH-436 INTERFERENCE FILTER, 435NM		N.A	0.35	-		
	PBH-365 INTERFERENCE FILTER, 365NM		N.A	0.35	-		
	PBH-578 INTERFERENCE FILTER, 578NM		N.A	0.35	-		
2	SHIMADZU "LIVING AI-SERIES" – WFA READY HPLC SYSTEM WITH UV DETECTOR & ACCESSORIES [MODEL NO: LC-2050C] – 1 NO	Spincotech Systems LLP	1.00	45.00	45.00	December 15, 2024	90 days
	SHIMADZU "LIVING AI-SERIES" – WFA READY HPLC SYSTEM WITH PDA DETECTOR & ACCESSORIES [MODEL NO: LC-2050C 3D PDA] – 1 NOS		1.00	55.00	55.00		
3	**GCHS (GAS CHROMATOGRAPH) FOR QC**	Toshvin Analytical Pvt. Ltd.	-	NA	124.50	December 17, 2024	90 days
	SHIMADZU MAKE GAS CHROMATOGRAPH MODEL : BREVIS GC-2050 AS A MAIN FRAME		1.00				
	SPLIT/ SPLITLESS CAPILLARY INJECTOR PORT		1.00				
	FID DETECTOR		2.00				
	LABSOLUTIONS GC CONTROL LICENSE		1.00				
	LIQUID AUTO INJECTOR WITH 12 VIALS		1.00				
	EADSPACE SAMPLER (LOOP TYPE), HS-20NX (90 VIAL CAROUSAL, 12		1.00				

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	VIAL INCUBATOR)						
	CAPILLARY COLUMN		2.00				
	GCHS (GAS CHROMATOGRAPH)		-				
	SHIMADZU MAKE GAS CHROMATOGRAPH MODEL: BREVIS GC-2050 AS A MAIN FRAME		1.00				
	SPLIT/ SPLITLESS CAPILLARY INJECTOR PORT		1.00				
	FID DETECTOR		2.00				
	LABSOLUTIONS CS CONNECT READY SOFTWARE		1.00				
	LIQUID AUTO INJECTOR WITH 12 VIALS		1.00				
	HEADSPACE SAMPLER (LOOP TYPE), HS-20NX (90 VIAL CAROUSAL, 12 VIAL INCUBATOR)		1.00				
				TOTAL (B)	**243.00**		
EQUIPMENT AND MACHINERIES RELATING TO UTILITIES							
1	MODEL:SPV37 , SINGLE STAGE SCREW AIR COMPRESSOR PM+VFD	NS Engineering	1.00	5.87	5.87	December 17, 2024	90 days
	REFRIGERATED AIR DRYER RD30 AIR CAPACITY: 300 CFM		1.00	1.87	1.87		
	AIR RECEIVER TANK 2000 LITRE		1.00	0.93	0.93		
	LINE FILTER P-Y TYPE		2.00	0.17	0.34		
	ACTIVATED CARBON FILTE A TYPE		1.00	0.28	0.28		
	MOISTURE SEPERATOR		1.00	0.17	0.17		
	VFD PROTECTION UNIT		1.00	0.25	0.25		
2	WOOD FIRED STEAM BOILER, MODEL TURBOMAX EBL- 3000W	Energymax Boilers LLP	1.00	72.50	72.50	December 18, 2024	90 days
	UNIT PRICE FOR 3 TPH BOILER SOLID FUEL FIRED WITH REFRACTORY, INSULATION, CLADDING WORK, ACCESSORIES AND CONTROL PANEL, IBR FILE						
	MDC (MECHANICAL DUST COLLECTOR)						
	STEAM PRS						
	MS CHIMNEY						
	BAG FILTER - FOR 3 TPH						
	AIR PRE-HEATER						
	MS WATER SCRUBBER						
	DUCTING LINE UP FROM BOILER TO CHIMNEY						
	2 LAC THERMIC FLUID						

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	HEATER UNIT WITH CONTROL PANEL, AIR COOLED CIRCULATING PUMP WITH 7.5 HP MOTOR 1 SET, GAS BURNER PBS, EXPANSION TANK, LEVEL GAUGE GLASS COKE WITH GLASS TUBE, PRESSURE SWITCH WITH INTERNAL GLASS WOOL INSULATED.						
	MDC MULTI CYCLONE						
	DUCTING FOR TFH-MAX FROM TFH TO CHIMNEY						
3	**75 TR -8 C OUTLET WATER COOLED SHELL & TUB TYPE SCREW BRINE CHILLER**	Penex Hvac Industries Private Limited	-	-	-	December 14, 2024	90 days
	MODEL PWC-075-N		1.00	24.25	24.25		
	VFD DRIVE		1.00	2.40	2.40		
4	**145 TR 7 C OUT LET WATER COOLED SHELL & TUBE TYPE SCREW CHILLER**	Penex Hvac Industries Private Limited	-	-	-	December 14, 2024	90 days
	MODEL PWSR-0150		1.00	27.25	27.25		
	VFD DRIVE		1.00	2.60	2.60		
5	**CROSS FLOW TYPE MAINTENANCE FREE FRP COOLING TOWER DFMD – 300 (WITHOUT FRP BASIN)**	Varun Engineers	-	-	-	December 16, 2024	120 days
	FRP COOLING TOWER (DISCOUNTED PRICE)		2.00	7.75	15.50		
	ERECTION CHARGES		2.00	0.30	0.60		
6	**CROSS FLOW TYPE MAINTENANCE FREE FRP COOLING TOWER DFMD – 400 (SP) (WITHOUT FRP BASIN)**	Varun Engineers	-	-	-	December 16, 2024	120 days
	FRP COOLING TOWER (DISCOUNTED PRICE)		2.00	8.75	17.50		
	ERECTION CHARGES		2.00	0.30	0.60		
7	5 NM3/HR @ 99.50% NITROGEN PLANT	Airro Engineering Co.	1.00	9.33	9.33	December 13, 2024	90 days
	PRICE FOR 10 NM3/HR @ 99.50% NITROGEN PLANT		1.00	10.13	10.13		
8	SE-SM 75X50-200	Swaraj Engineering	2	1.12	2.24	December 20, 2024	90 days
	SE-SM 75X50-150		2	0.70	1.39		
	SE-SM 75X40-200		3	1.02	3.06		
	SE-SM 50X40-150		2	0.51	1.02		
	SE-SM 40X25-200		2	0.68	1.36		
	SE-LC 32X25-180		3	0.48	1.44		
	SE-SM 40X25-200		2	0.56	1.12		

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	SE-LC 40X25-130		4	0.44	1.74		
9	SE-SM 75X50-200	Swaraj Engineering	2	1.31	2.62	December 20, 2024	90 days
	SE-SM 75X50-150		3	0.88	2.63		
	SE-SM 75X40-200		1	1.20	1.20		
	SE-SM 50X40-150		4	0.67	2.68		
	SE-SM 40X25-200		5	0.81	4.05		
	SE-LC 32X25-180		3	0.55	1.65		
	SE-SM 40X25-200		3	0.69	2.07		
	SE-LC 40X25-130		4	0.52	2.08		
10	**TITANIUM TUBES**	Ketav Consultant	Effluent Treatment Plant	261.00	261.00	December 06, 2024	90 days
	STRIPPER SYSTEM – WE – 1200 KG/HR						
	THREE STAGE EVAPORATOR SYSTEM – WE – 1200 KG/HR						
	ATFD SYSTEM – 7.5 SQ. MTR						
	PANEL WITH INSTRUMENTS						
	ADDITIONAL COST (CLIENT SCOPE)						
	COOLING TOWER COST-FRP – 250 M3/HR						
	COOLING TOWER PIPELINES COST (FOR MS PIPE LINE) WITH COOLING TOWER PUMP WITH MOTOR CT DISTANCE CONSIDERED FROM PLANT – 5 TO 10 MTR						
	MS STRUCTURE PURCHASE + ERECTION + FABRICATION						
	STRUCTURE ROOF TOP SIDE						
	PAINT WITH PRIMER (NORMAL PAINT WITH RED OXIDE)						
	CABLES FOR PUMPS + INSTRUMENTS CABLE, CABLE TRAY, MOTOR GUARD, ETC						
	PLANT LIGHTING + LIGHT LAMP + EARTHING OF PANEL, ETC						
	ERECTION OF EQUIPMENT & INTERNAL PIPE FABRICATION + FITTING						
	INSULATION-LRB PAD-50 MM THK X 100 DENSITY. FOR ALL EQUIPMENT AND PIPING. WITH GI SHEET						
	TRANSPORTATION						

No.	PARTICULARS OF MACHINERY	Party Name	Qty.	Price Per Piece (in `lakhs)	Total (in ₹ lakhs) (*Excluding Tax*)	Date of Quotation	Validity of Quotation
	CHARGES						
TOTAL (C)					**485.73**		
TOTAL (A+B+C)							**2292.21#**

* *As per the quotation, the Price is subject to change after expiry of validity of the quotation.*
# *The amount is excluding taxes and installation and transportation charges. The total amount post GST charges and installation and transportation charges amounts to 2,750 lakhs.*

Further, any additional costs other than stated above, in relation to any of the Proposed Expansion or any preliminary and pre-operative expense, will be met from internal accruals of our Company.

The quotations received from vendors in relation to the above-mentioned objects of the Issue are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with these vendors and there can be no assurance that the same vendor(s) would be engaged to eventually supply of any the machinery and equipment or we will get the machinery or civil and structured cost at the same costs. The quantity of equipment, plant and machinery to be purchased is based on management estimates. We do not intend to purchase any second-hand plant, machinery or equipment. For risk relating to equipment, plants and machinery, see "***Risk Factor - Our Company is yet to place orders for the equipment, plant and machinery for the expansion of the Manufacturing Facility. Any delay in placing orders or procurement of such equipment, plant and machinery may delay the schedule of implementation and possibly increase the cost of commencing operations***" on page 41.

No second-hand or used machinery is proposed to be purchased out of the Issue proceeds.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of civil and construction work, equipment, plant and machinery or in the entities from whom we have obtained quotation in relation to such activities.

In relation to the Proposed Expansion, we are required to obtain approvals, which are routine in nature, from certain governmental or local authorities. Our Company undertakes to file necessary applications with the relevant authorities for obtaining all the below mentioned approvals, as applicable, at the relevant stages.

Approvals reqruied for the Proposed Expansion

No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
1.	Approval for the building plans for the Proposed Expansion	Directorate Industrial Safety & Health Gujarat State	-	-	Critical approval. Before the commissioning of proposed expansion	To be applied
2.	Electricity Board License	PGVCL	-	-	Routine approval	To be applied
3.	CTE (Consent to Establishment)	GPCB	-	-	Critical approval	To be applied

No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
					Before the commissioning of proposed expansion	
4.	Consolidated Consent and Authorization	GPCB	-	-	Routine approval After the commissioning of the expanded manufacturing facility	To be applied
5.	License to manufacture for sale of Drugs	FDA	-	-	Routine approval After the commissioning of the expanded manufacturing facility	To be applied
6.	FSAAI License	FSAAI	-	-	Routine approval After the commissioning of the expanded manufacturing facility	To be applied
7.	GMP	FDCA	-	-	Routine approval After the commissioning of the expanded manufacturing facility	To be applied
8.	ISO	Concerned ISO Agency	-	-	Routine certification After the commissioning of the expanded	To be applied

No.	Approval For	Authority	Application Date	Approval Date	Stage at which approvals are required	Status
					manufacturing facility	

Note:As certified by Chartered Engineer vide certificate dated December 24, 2024.

As on March 31, 2024, the aggregate gross block value of our Company's, equipment, plant and machinery was ₹2,091.13 lakhs respectively. Our Company had spent on plant and machinery ₹806.64 lacs in the Financial Year 2017, and ₹1102.91 lakhs in Financial Year 2018 for acquiring the plant and machineries. The proposed capital expansion is intended keeping in mind the approval for our products in various countries, growing demand of custom manufacturing services, and the expanding product portfolio at commercialized stage pilot stage and lab testing stage. As on the date of this Draft Red Herring Prospectus, our product portfolio consists of sixty-five (65) commercialised products and twenty-eight (28) products which are at pilot stage, forty-nine (49) products at lab testing stage. Further, the shift towards India as part of the "China+1" strategy is expected to accelerate in the coming years from which we as API manufacturer, is believed to be benefited (Source: *D&B Report*). In order to capitalise on such rising opportunities, we intend to enhance our installed capacity and therefore propose to utilize ₹3,317.95 lakhs towards Proposed Expansion of our manufacturing capabilities.

2. Full or part repayment and/or prepayment of certain outstanding secured borrowings availed by our Company.

Our Company has entered into financing arrangements to avail terms loans and working capital loans. For details, see "***Financial Indebtedness***" on page 280.

As on January 31, 2025, the amount outstanding under our loan facilities from financial institutions was ₹ 3,354.06 lakhs. We propose to utilise an estimated amount of ₹500.00 lakhs from the Net Proceeds towards re-payment or pre-payment of borrowings, availed by our Company in full or in part. The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates and additional funds or capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, the aggregate amount to be utilised from the Net Proceeds towards repayment/ prepayment of certain borrowings, in part or in full, would not exceed ₹500 lakhs. For details, see "***Our Business – Strategies – Improve cost management and operational efficiencies along with focus on rationalizing our indebtedness***" on page 194.

The following table provides details of certain secured borrowings availed by our Company, which are outstanding as on January 31, 2025, which are currently proposed to be re-paid or pre-paid, in full or in part, to the extent of ₹500.00 lakhs from the Net Proceeds:

No.	Name of the Lender	Nature of Borrowing	Sanctioned Amount (₹ in lakhs)	Outstanding as on January 31, 2025 (₹ in lakhs)	Interest Rate (%)	EMI (In Rs.)	Purpose for which loan has been used
1.	Punjab National Bank	Cash Credit	1600.00	1599.47	RLRR (Repo 6.50% + Mark Up (2.50%+BSP0.25%) +0.75 (concessional Spread as per Scheme) = 10.00 %	-	Working Capital requirement To meet

No.	Name of the Lender	Nature of Borrowing	Sanctioned Amount (₹ in lakhs)	Outstanding as on January 31, 2025 (₹ in lakhs)	Interest Rate (%)	EMI (In Rs.)	Purpose for which loan has been used
					Subject to change time to time, as per Bank's /RBI guidelines and credit risk rating of the Borrower		
2.	Punjab National Bank	EPC/PCFC Limit	400.00	400.00	ROI Will Subject to Card Rate at the time of drawdown.	-	
3.	Punjab National Bank	Term Loan I	503.00	235.21	RLRR (Repo 6.50% + Mark Up (2.50%+BSP0.25%) +0.75 (concessional Spread as per Scheme) = 10.00 % Subject to change time to time, as per Bank's /RBI guidelines and credit risk rating of the Borrower	14.20	Purchase of plant and Machinery
4.	Punjab National Bank	Term Loan II	202.00	121.47		4.55	Purchase of plant and Machinery
5.	Punjab National Bank	WCTL (PC conversion to WCTL)	900.00	650.55		15.00	
6.	Punjab National Bank	GECL Ext	598.00	366.90	(RR + MU + BSP +Spread (0.80%)) Subject to maximum of 9.25% as per the extant guidelines.	16.61	Working Capital requirement
	TOTAL		**4203**	**3373.60**			

In accordance with clause 9(A) (2) (b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditor of our Company, Kaushal Dave & Associates, Chartered Accountants, pursuant to their certificate dated February 17, 2025 have certified the utilization of the above-mentioned borrowings for the purposes for which such borrowings were availed.

Further, our Company has obtained written consent from Punjab National Bank for the purposes of undertaking the Issue. Such consent was required to be obtained under the terms and conditions of their respective financing documents.

The prepayment charges @2% may be be levied if the term loans are repaid by taking loan from other banks/ FI. No prepayment to be levied if the prepayment is made in full from the internal accruals/ project revenue.

3. Funding the working capital requirements of our Company

Our Company proposes to utilise ₹ 4,315.00 lakhs from the Net Proceeds towards funding its working capital requirements in Financial Year ending March 31, 2026 and March 31, 2027.

Our Company is a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates which are serves as raw material in the manufacturing of Active Pharmaceutical Ingredients (APIs); (ii) Active Pharmaceutical Ingredients which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, Ointment, Syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products, As on March 31, 2024, our Company's net working capital consisted of ₹7,107.67 lakhs as against ₹5046.73 lakhs as on March 31, 2023. As on the date of this Draft Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans, from the Banks etc.

Considering the growth of our Company, we will require additional working capital to fund our growth. The usual trade receivables in the industry is around 180 days and the bank is generally considering the trade receivables for 90 days for providing finance to the Company.

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

Particulars	As at ten months period ending January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2025	Fiscal 2026	Fiscal 2027
	Audited	Audited	Audited	Audited	Audited	Provisional	Provisional
Raw material	2945.97	1,171.70	739.59	478.26	[●]2460.90	1715.03	2193.75
Semi-finished Goods	872.08	997.13	1,258.79	584.98	1309.20	1805.03	2306.25
Finished goods	960.96	1,977.13	676.62	1,594.19	1759.00	2250.00	
Packing materials	18.70	25.38	21.62	11.54	50.00	50.00	50.00
Trade receivables	6579.34	3,670.26	4,177.82	1,686.13	5048.00	7036.00	9000.00
Trade receivables for more than 2 years	230.92	202.79	202.75	344.14	230.92	230.92	230.92
Cash and bank balances (without Margin Money Deposit)	146.64	227.45	62.36	154.23	252.02	252.38	246.58
Other current Financial assets- investments	88.54	84.51	390.74	175.33	100.00	125.00	125.00
Loans and advances	274.75	139.04	34.55	23.36	247.75	250.00	300.00
Other current financial assets	137.42	55.81	44.79	38.99	137.42	150.00	200.00
Other current assets	1566.85	1,519.17	971.17	682.66	2000.00	500.00	3000.00
Total	**13795.17**	**10,070.7**	**8,580.8**	**5,773.81**	**13939.54**	**15873.35**	**19927.50**
Less :							
Trade payables	600.52	1,323.40	1,967.95	1,150.24	600.52	1143.35	1462.50
Trade payables for more than 3 years	699.17	675.82	564.7	373.07	700.00	700.00	700.00
other current Liabilities	53.72	93.56	412.51	304.89	100.00	150.00	200.00
Current maturity of long-term debts	769.88	668.52	393.69	206.06	700.00	600.00	700.00
Provisions	293.48	217.31	195.22	49.6	400	550	650
Total liabilities	**2416.77**	**2978.41**	**3,534.07**	**2,083.86**	2500.52	**3143.35**	**3512.50**
Net working capital	11378.40	7091.96	5,046.73	3,689.95	11439.02	12730.00	16415.00
Less: bank borrowings	1999.47	2031.8	821.06	805.61	1999.47	2100	2100
Balance	9378.93	5,056.96	4,225.67	2,884.34	9439.55	10630.00	14315.00
Long term and short-term borrowings	3654.68	4,190.15	3,914.72	2,884.33	4300.00	4300.00	4300.00
Financed through capital internal cash accruals	5724.25	870.01	310.95		5139.55	5300	5700
Fund from IPO (FY 2026)						1030.00	1030.00
Fund from IPO (FY 2027)							3285.00

As certified by our Statutory Auditors vide certificate dated February 17, 2025 and as approved by the Board of Directors of our Company pursuant to its resolution dated February 17, 2025.

Assumptions for working capital requirements.

Particulars	No. of Days outstanding or holding level as on			January 31, 2025	Fiscal 2025 (current year)	Fiscal 2026 (Estimated)	Fiscal 2027 (Estimated)	Justification for Holding
	Fiscal 2024	Fiscal 2023	Fiscal 2022					
Raw Material	73	25	30	149	90	45	45	The Estimate for the FY 2026 and 2027 are considering the increase in the export business on account of various approvals from the various countries and in order to uninterrupted supply of finished goods the estimate of stock of raw material for 45 days was considered. The current year FY 2025 stock of 149 days was on account of completion of order for the month of February and March. In the year the 2023-24 the Company, on the basis of observation and recommendations issued by Brazilian health Regulatory Agency (ANVISA, Brazil) regarding our manufacturing facility for the purpose of approval of the plant for production of API product namely, Loxoprofen Sodium Dihydrate, our Company had to comply with such recommendations in the our Manufacturing Facility and in order to comply with such recommendations and observation, our Manufacturing Facility was non-operational for almost 4 months. On account of that the material was not used in the production. The turnover of the Company had been reduced almost 50% in comparison to FY 2022-23. It was an exceptional year and not considered for the estimation of current year and estimated year.
Semi-finished Goods	56	41	34	41	45	45	45	Certain process is caried out not in the factory and due to number of process involved the stock of semi-finished goods was almost for 45 days. The semi finished in the FY 2023-24 was high but it was an exceptional year and not considered for the estimation of current year and estimated year.
Finished	89	18	84	31	50	30	30	The holding period of FY

Particulars	No. of Days outstanding or holding level as on			January 31, 2025	Fiscal 2025 (current year)	Fiscal 2026 (Estimated)	Fiscal 2027 (Estimated)	Justification for Holding
	Fiscal 2024	Fiscal 2023	Fiscal 2022					
goods								2023-24 was not considered due to closure of plant for 4 months. The stub period stock of finished goods was for 31 days on account of various orders to be completed in the month of February and Marh 2025. The estimation for 2026 and 2027 are made considering projected increase in the export business on account of various approvals from the various countries and timely delivery of goods.
Trade receivables	165	111	89	213	120	120	120	The Trade receivables period of FY 2023-24 was not considered due to non-operational of plant for 4 months on account of complying with recommendations and observation issued by Brazilian Health Regulatory Agency (ANVISA, Brazil) during their audit for approval. Due to disruption of supply of finished goods the credit period has gone to 165 days. On an average the credit period is 120 days and the same is considered for estimation for FY 2026 and FY 2027
Trade payables	80	67	118	30	30	30	30	On account of right issue the company had funds which has been used for the payment of creditors and the credit period of 30 days for the stub period is considered for the estimation for the FY 2026 and FY 2027. The Company ahs negotiated with the suppliers and get the better price which increase the profitability of the Company. The raw material cost which was average 75 % come down to 64% in the Stub period.

As certified by our Statutory Auditors vide certificate dated February 17, 2025 and as approved by the Board of Directors of our Company pursuant to its resolution dated February 17, 2025.

For risk relating to working capital funding, see ***"Risk Factor - Our Company intends to utilise a portion of the Net Proceeds of the Issue towards the working capital requirements of our Company which are based on certain assumptions and estimates and have not been appraised by any bank or financial institution"*** on page 50.

4. General corporate purposes

We propose to deploy the balance Net Proceeds, aggregating to ₹[●] lakhs towards general corporate purposes subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

Our management will have flexibility in applying ₹[●] lakhs of the Net Proceeds, not exceeding 25% of the amount raised by our Company through this Issue, towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- Strategic initiatives;
- Brand building and strengthening of marketing activities;
- Ongoing general corporate exigencies; and
- Any other purposes as approved by the Board and subject to compliance with the necessary regulatory provisions.

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 purpose.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this include, among others, underwriting and lead manager fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated issue expenses are as follows:

Expenses*	Estimated expense* (₹ in lakhs)	As a % of the total estimated Issue expenses	As a % of the total Issue Size
Fees payable to the BRLM and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Issue and fee payable to the Sponsor Bank for Bids made by RIBs. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDP(1)(2)(3)(4)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fee payable to auditors, consultants and market research firms	[●]	[●]	[●]
Fees to regulators, including Stock Exchanges	[●]	[●]	[●]
Others (i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory	[●]	[●]	[●]

Expenses*	Estimated expense* (₹ in lakhs)	As a % of the total estimated Issue expenses	As a % of the total Issue Size
expenses; (ii) Printing and distribution of stationery; (iii) Fees payable to the Registrar to the Issue; (iv) Fees payable to Legal Counsel; and (v) Miscellaneous.			
Total estimated Issue expenses	[●]	[●]	[●]

**Issue expenses excludes applicable tax* Issue expenses excludes applicable ta es, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change*

Notes

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

*Portion for Retail Individual Bidders**	*[●] % of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE

No processing fees/uploading charges shall be payable by our Company to the SCSBs on the applications directly procured by them.

SCSBs will be entitled to a processing fee for processing the ASBA Form procured by the members of the Syndicate (including their sub-syndicate members), CRTAs or CDPs from Retail Individual Investors, Eligible Employees and Non-Institutional Bidders and submitted to the SCSBs for blocking as follows:

*Portion for Retail Individual Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*₹[●] per valid ASBA Forms (plus applicable taxes)*

**Based on valid ASBA Forms*

(2) The processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows: Sponsor Bank will be entitled to processing fee of ₹[●] per valid ASBA Form for Bids made by RIIs using the UPI Mechanism. The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.

(3) Brokerage, selling commission and processing/ uploading charges on the portion for UPI Bidders (using the UPI Mechanism), RIIs and NIIs which are procured by the members of the Syndicate (including their sub-syndicate members), CRTAs, CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-syndicate members) would be as follows:

*Portion for Retail Individual Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*[●]% of the Amount Allotted (plus applicable taxes)*

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

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

The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

The selling commission payable to the CRTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading charges/ processing charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:

- *for applications made by Retail Individual Investors using the UPI Mechanism*
  Uploading Charges/ Processing Charges of ₹[●]/- per valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, CRTAs and CDPs:
- *for applications made by Retail Individual Investors using 3-in-1 type accounts*
- *for Non-Institutional Investor Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

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

(4) Selling commission payable to the registered brokers on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows: Portion for Retail Individual Investors and Non-Institutional Investors: ₹[●]/- per valid ASBA Form (plus applicable taxes).

(5) *The processing fees for applications made by the UPI Bidders 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 no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any other subsequent SEBI Circular.*

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only with one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

Bridge Financing Facilities

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

Appraisal Report

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions / banks.

Monitoring Utilization of Funds

Our Company will appoint a monitoring agency in accordance with Regulation 41 of the SEBI ICDR Regulations prior to the filing of the Draft Red Herring Prospectus. Our Board and the monitoring agency will monitor the utilisation of the Net Proceeds, and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay.

Our Company will disclose the utilisation of the Net Proceeds, including interim use, under a separate head in our balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, for any amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 18(3) and Regulation 32(3) of the Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. Further, in terms of

Regulation 32(6) of the Listing Regulations, our Company is required to submit to the Stock Exchange for any comments or report received from the Monitoring Agency, within 45 days from the end of each quarter. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the objects of the Issue as stated above. The explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Employees. Our Company has not entered into or is not planning to enter into any arrangement / agreements with Promoters, Directors, key management personnel, associates or Group Companies in relation to the utilization of the Net Proceeds of the Issue.

Other Confirmation

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR THE ISSUE PRICE

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

Investors should refer to "***Risk Factors***", "***Our Business***", "***Restated Financial Statements***" and "***Management Discussion and Analysis of Financial Condition and Results of Operations***" and on page 32, 183, 242 and 283 respectively of this Draft Red Herring Prospectus to have an informed view before making an investment decision.

Qualitative Factors

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

- Strong product portfolio of more sixty-five (65) commercialised products, twenty-eight (28) products at pilot stage, forty-nine (49) products at lab testing stage; .,.
- Scalable business model;
- Established customer base;
- Operating in high entry and exit barriers due to long customer approval cycles and strict product standards;
- In-house testing, QA / QC for quality control of the product portfolio;
- Experienced Promoters and Management Team

For further information, see "***Our Business - Our Strengths***" on page 190.

Quantitative Factors

The information presented below is based on the Restated Financial Statements of our Company for the ten-month period ended January 31, 2025 and the Fiscal 2024, Fiscal 2023 and Fiscal 2022, prepared in accordance with Ind AS, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, see "***Restated Financial Statements***" on page 242.

Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share ("EPS")

Fiscals	Weights	Basic and Diluted EPS (in ₹)
2022	-	(0.09)*
2023	1	4.85
2024	2	6.68
Weightage Average EPS	**3**	**6.07**
For the ten-month period ended January 31, 2025#		5.58

**The Loss due to covid-19 period was not considered for calculating weighted average EPS as it is exceptional.*
#Annualized

Notes

(a) Basic EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of equity shares outstanding during the year
(b) Diluted EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of dilutive equity shares outstanding during the year
(c) Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}
(d) The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statement.

2) Price to Earnings (P/E) ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share of ₹ 10.00/- each fully paid up

Particulars	P/E at the lower end of the Price Band (no. of times)*	P/E at the higher end of the Price Band (no. of times)*
Based on Basic EPS for Fiscal 2024	[●]	[●]
Based on weighted Average Basic and diluted	[●]	[●]

**Will be included in the Prospectus.*

Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	185.14
Lowest	26.72
Industry Average	105.93

***Source**: The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.*
As certified by our Statutory Auditor vide certificate dated February 17, 2025.

3) Return on Net worth ("RoNW")

Return on Net Worth (RoNW) as per restated financial statements

Fiscals	RONW (%)	Weight
2022	(6.93)*	-
2023	78.92	1
2024	45.92	2
Weighted Average		56.92%
For ten-month period ended January 31, 2025#		19.97%

**The Negative Return on Net worth due to covid-19 period was not considered for calculating weighted average RoNW as it is exceptional.*
#Annualized
***Note**: Return on Networth has been calculated as per the following formula:*
1) *Return on Net Worth (%) = Net Profit after tax, as restated / Net worth, as restated, as at year end.*
2) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

4) Net Asset Value per Equity Shares ("NAV")

Net Asset Value per equity share	(in ₹)
As at March 31, 2024	13.14
As on January 31, 2025	18.03
After the completion of the Issue:	
a) At Floor Price	[●]
b) At Cap price	[●]
Issue Price	[●]

Notes:
a. *Net Asset Value per equity share represents net worth attributable to Equity Shareholder (Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by the number of Equity Shares outstanding at the end of the year.*
b. *Issue Price per Equity Share will be determined on conclusion of the Book Building Process*

5) Comparison with industry peers

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business. Following is the comparison with our peer companies listed in India:

Companies	CMP*	EPS (Basic) (₹)	EPS (Diluted) (₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Total Income (₹ in Lakhs)
Anlon Healthcare Limited	[●]	6.68	6.68	[●]	45.92	13.14	10.00	6,669.19
Listed peers								
Kronox Lab Sciences Limited	155.25	5.81	5.81	26.72	32.51	17.87	10.00	9,144.03
AMI Organics Limited	2205.00	11.91	11.91	185.14	6.47	183.05	10.00	70,136.87
Supriya Lifescience Limited	643.70	14.80	14.80	43.49	14.61	101.31	2.00	58,100.50

Source: *All the financial information for listed industry peers mentioned above on a Standalone basis and is sourced from the annual results as available of the respective company for the year ended March 31, 2024 as available on the website of stock exchanges. The financial information of our Company is based on the restated Standalone financial information for the year ended March 31, 2024.*

Notes:

a) P/E Ratio has been computed based on the closing market price of equity shares on BSE on February 17, 2025, divided by the Diluted EPS.

b) Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year divided by Net worth of the Company.

c) Net Asset Value per equity share represents net worth attributable to Equity Shareholder (Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by the number of Equity Shares outstanding at the end of the year.

d) Considering the nature and size of the business of our Company the peers are not strictly comparable. However, above company is included for broad comparison.

e) CMP of the peer group as on February 17, 2025 is as per the closing price as available on www.bseindia.com

Key Performance Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics set forth above, have been approved and verified by the Audit Committee pursuant to its resolution dated February 17, 2025. Further, the Audit Committee has on February 17, 2025 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding this Draft Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. Additionally, the KPIs have been certified by way of certificate dated February 17, 2025 issued by our Statutory Auditor, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performances and make an informed decision.

A list of our KPIs for the Fiscals 2024, 2023 and 2022 is set out below:

Financial KPI of our Company

(₹ in lakhs, unless stated otherwise)

Parameter	As on January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total income	7,737.47	6,669.19	11,312.00	5,753.64
Total revenue from operations (in ₹)	7,724.84	6,658.37	11,287.74	5,714.27
Current Ratio	3.12	2.01	1.97	2.00
EBIDTA	1,749.06	1,556.94	1,265.74	580.57
EBIDTA Margin (in %)	22.61	23.35	18.51	23.25
Net Profit	1,196.08	965.71	582.00	(10.77)
Net Profit Margin (in %)	15.48	14.50	5.16	(0.19)
Return on Net Worth (in %)	16.64	45.92	78.92	(6.93)

Parameter	As on January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Return on Capital Employed (in %)	13.03	16.29	17.16	9.38
Debt-Equity Ratio	0.87	3.55	9.00	38.81
Debt Service Coverage Ratio	0.71	1.49	1.46	0.56
Fixed Asset Turnover Ratio	3.36	2.44	4.39	2.10
Working Capital Days	404	303	128	119
Net Cash from/ (used in) Operating Activities	(2,721.80)	(322.67)	(248.97)	(175.40)
Net Cash from/ (used in) Investing Activities	281.74	(336.81)	(33.49)	(38.60)
Net Cash from/ (used in) Financing Activities	2,358.73	824.57	226.59	280.73
Revenue CAGR (Fiscal 2022 to Fiscal 2024)	-			5.23%
EBIDTA CAGR (Fiscal 2022 to Fiscal 2024)	-			38.93%
PAT CAGR (Fiscal 2022 to Fiscal 2024)	-			28.81%#

#As the PAT is Negative in the FY 2021-22 therefor not considered in CAGR Calculation.
As certified by our Statutory Auditors vide certificate dated February 17, 2025

Notes:

(a) Total income includes revenue from operation and other income
(b) Revenue from operations represents the sale of products manufactured by the Company as recognized in the Restated financial information.
(c) 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.
(d) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.
(e) EBITDA margin is calculated as EBITDA as a percentage of total income.
(f) Net Profit for the year represents the restated profits of our Company after deducting all expenses.
(g) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.
(h) Return on net worth is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by Average Net worth (average total equity). Average total equity means the average of the aggregate value of the paid-up share capital and other equity of the current and previous fiscals.
(i) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous fiscals).
(j) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.
(k) Debt Service Coverage Ratio is calculated by dividing the sum of Profit after Tax and interest amount by sum of the repayment of loan and Interest.
(l) Fixed asset turnover ratio is calculated as revenue from operations divided by fixed assets at the end of the year.
(m) Working Capital Days refers to trade receivables days plus inventory days less trade payable days.

Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from operations (*₹ in lakhs*)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business
Total Income *(₹ in lakhs)*	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
Current Ratio	Current Ratio provides efficiency which current assets are managed by the Company.
EBITDA *(₹ in lakhs)*	EBITDA provides information regarding the operational efficiency of our business
EBIDTA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit for the Year (*₹ in lakhs*)	Net Profit for the year provides information regarding the overall profitability of our business.
Net Profit Margin (in %)	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.

KPIs	Explanations
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Debt-Equity Ratio	Debt-equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.
Debt Service Coverage Ratio	Debt Service Coverage Ratio indicated how much cash flow is available against the liability of the Company for repayment of Debt and Interest.
Fixed Asset Turnover Ratio	Fixed Asset Turnover is the efficiency at which our company is able to deploy its assets (on net block basis) to generate Revenue from Operations
Net Cash from/ (used in) Operating Activities	Cash flow from/ (used in) Operating Activities is our Company's ability to generate cash from our core business operations
Net Cash from/ (used in) Investing Activities	Cash flow from/ (used in) Investing Activities is our Company's ability to deploy funds for long-term use
Net Cash from/ (used in) Financing Activities	Cash flow from/ (used in) Financing Activities is the net amount of funding financed by our company
Revenue CAGR	Revenue CAGR growth provides information regarding the growth in terms of our business for the respective period, in terms of CAGR
EBIDTA CAGR	EBITDA CAGR growth provides information regarding the growth in operating profit from our core business for the respective period, in terms of CAGR
PAT CAGR	PAT CAGR growth provides information regarding the growth in our profit after tax from for the respective period, in terms of CAGR

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 183 and 283, respectively, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Issue as per the disclosure made in the "***Objects of the Issue***" on page 106 , whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Comparison of key performance indicators with listed Peer Companies

Comparison of Key Performance Indicators with the listed peer companies as on March 31, 2024 is set out as below:

(₹ in Lakhs except per share data or unless otherwise stated)

No	Key Performance Indicators	Anlon Healthcare Limited	Kronox Lab Sciences Limited	Ami Organics Limited	Supriya Lifescience Limited
1.	Total Income	6,669.19	9,144.03	70,136.87	58,100.50
2.	Current Ratio	2.01	6.07	1.76	5.17
3.	Debt Equity Ratio	3.55	-	0.30	0.01
4.	EBDITA	1,556.94	2,304.59	8,969.73	18,361.11
5.	Operating EBDITA Margin	23.35	25.20	12.79	31.60
6.	Net Profit	965.71	2,155.42	4,368.49	11,911.41
7.	Net profit Margin (in %)	14.50	23.57%	6.34	20.50
8.	Return on Equity	0.98	0.65	0.07	0.15
9.	Return on Capital Employed (in %)	16.29	42.00	5.54	14.61

Source: *Annual Reports of the respective companies / www.bseindia.com and www.nseindia.com*

As certified by the Statutory Auditor vide their certificate dated February 17, 2025 .

Notes:

(a) *Total income includes revenue from operation and other income*

(b) *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*

(c) *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.*

(d) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.*

(e) *EBITDA margin is calculated as EBITDA as a percentage of total income.*

(f) *Net Profit for the year represents the restated profits of our Company after deducting all expenses.*

(g) *Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.*
Return on Equity is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by net worth of the Company at the end of year.

(h) *Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous Fiscal).*

Weighted average cost of acquisition ("WACA"),

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

The details of the Equity shares excluding Shares issued under ESOP and issuance of Bonus Shares during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuance") are as follows:

Date of allotment	No. of equity shares allotted	Face valueper equity share (in ₹)	Issue priceper equity share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration *(in ₹)*
August 23, 2023	40,00,000	10	10	Rights issue	Cash	4,00,00,000
July 19, 2024	2,00,00,000	10	10	Rights Issue	Cash	20,00,00,000
July 30, 2024	38,51,500	10	49	Private Placement	Cash	18,87,23,500

(b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities

The price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on the secondary sale / acquisition of Equity Shares or convertible securities involving Promoter, Promoter Group during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring prospectus , where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) Weighted average cost of acquisition, floor price and cap price

Type of Transactions	WACA (₹)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition for last 18 months	13.14	**[●]**	**[●]**

Type of Transactions	WACA (₹)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our 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			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or or shareholder(s) having the right to nominate director(s) in our Board 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 five per cent of the fully diluted paid-up share capital of our 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	6.73	**[●]**	**[●]**

**To be updated after finalization of issue price*

(d) **Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022. [●]***

*To be included on finalization of price band

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

[●]*

**To be included on finalization of price band*

STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ANLON HEALTHCARE LIMITED ("THE COMPANY"), THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA

To,
The Board of Directors
Anlon Healthcare Limited
101/102 – Silvercoin Complex,
Opp. Crystal Mall, Kalawad Road,
Rajkot, Gujarat,
India – 360 005

Dear Sirs,

Re: Proposed public issue of equity shares of face value of Rs. 10/- each (the "Equity Shares") of Anlon Healthcare Limited (the "Company") (the "Issue")

Sub.: Statement of possible Special Tax Benefits available to the Company, its equity shareholders and its subsidiary under the direct and indirect tax laws

We refer to the proposed initial public Issuing of equity shares (the "**Issue**") of the Company. We enclose herewith the statement (the "**Annexure**") showing the current position of special tax benefits available to the Company, to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961,("**Act**") the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "**GST Act**"), the Customs Act, 1962 ("**Customs Act**") and the Customs Tariff Act, 1975 ("**Tariff Act**") (collectively the "**Taxation Laws**") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-25 relevant to the financial year 2024-25 for inclusion in the Draft Red Herring Prospectus ("**DRHP**") for the proposed initial public Issuing of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").

Several of these benefits are dependent on the Company or its shareholders or its subsidiaries fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders or its subsidiaries to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Company and its subsidiaries and on the basis of our understanding of the business activities and operations of the Company and its subsidiaries.

We do not express any opinion or provide any assurance whether:
- The Company or its Shareholders or its subsidiaries will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company, its Shareholders and its Subsidiaries in the DRHP for the proposed initial public Issue of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "**Stock Exchanges**") where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the DRHP and Prospectus.

We also consent to the references to us as "Experts" as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, the Preliminary International Wrap/Issuing Memorandum, the Abridged Prospectus and any other addendum thereto of the Company to be submitted/filed with the Securities and Exchange Board of India ("**SEBI**"), the Registrar of Companies, Ahmedabad at Gujarat ("**ROC**") and the stock exchanges, or any other material (including in any corporate or investor presentation made by or on behalf of the Company) to be issued in relation to the Issue (together referred as "**Issue Documents**") or in any other documents in connection with the Issue

All capitalized terms not defined hereinabove shall have the same meaning as defined in the Issue Documents.

For, Kaushal Dave & Associates
Chartered Accountants

sd/-
Kaushal V Dave
Partner
Membership No.: 174550
FRN: 143936W
Place: Rajkot
Date: February 17, 2025
UDIN: 24174550BMLMTI13132

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ANLON HEALTHCARE LIMITED ("COMPANY"), THE SHAREHOLDERS OF THE COMPANY ("SHAREHOLDERS").

Outlined below are the possible special tax benefits available to Company and its shareholders under Income Tax Act 1961("the Act") presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT")

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

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

Note:

- The above statement of Direct Tax Benefits sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.
- The above statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.
- Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Global Macroeconomic Scenario

The global economy, which grew by 3.3% in 2023, is expected to record a sluggish growth of 3.2% in 2024 before rising modestly to 3.3% in 2025. Between 2021 – 2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China, the largest manufacturing hub of world, was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese Government took several steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

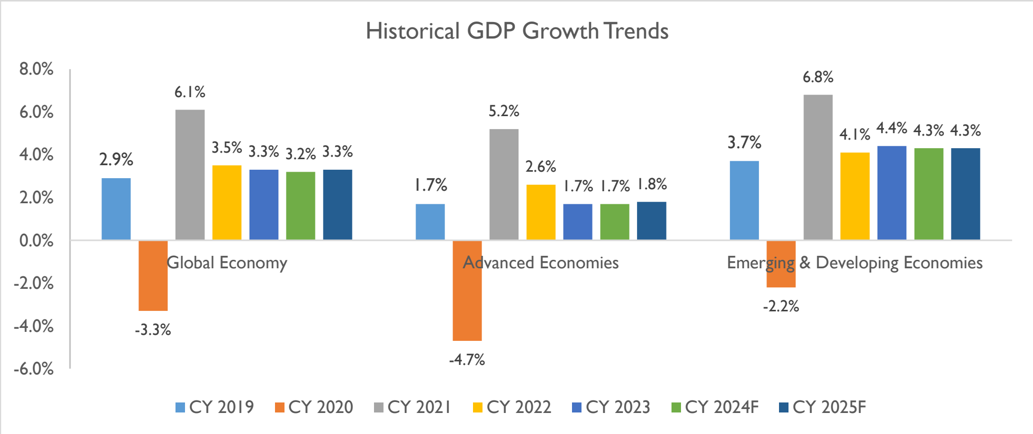
Global GDP Growth Scenario

The global economy started to rise from its lowest levels after countries started to lift the lockdown in 2020 and 2021. The lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.

Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades, seen in 2022, which forced most of the central banks to tighten their fiscal policies. Russia's invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living.

Further, despite initial resilience earlier in 2023, marked by a rebound in reopening and progress in curbing inflation from the previous year's highs, the situation remained precarious. Economic activity lagged its pre-pandemic trajectory, particularly in emerging markets and developing economies, leading to widening disparities among regions. Numerous factors are impeding the recovery, including the lasting impacts of the pandemic and geopolitical tensions, as well as cyclically driven factors such as tightening monetary policies to combat inflation, the reduction of fiscal support amidst high debt levels, and the occurrence of extreme weather conditions. As a result, global growth declined from 3.5% in CY 2022 to 3.3% in CY 2023.

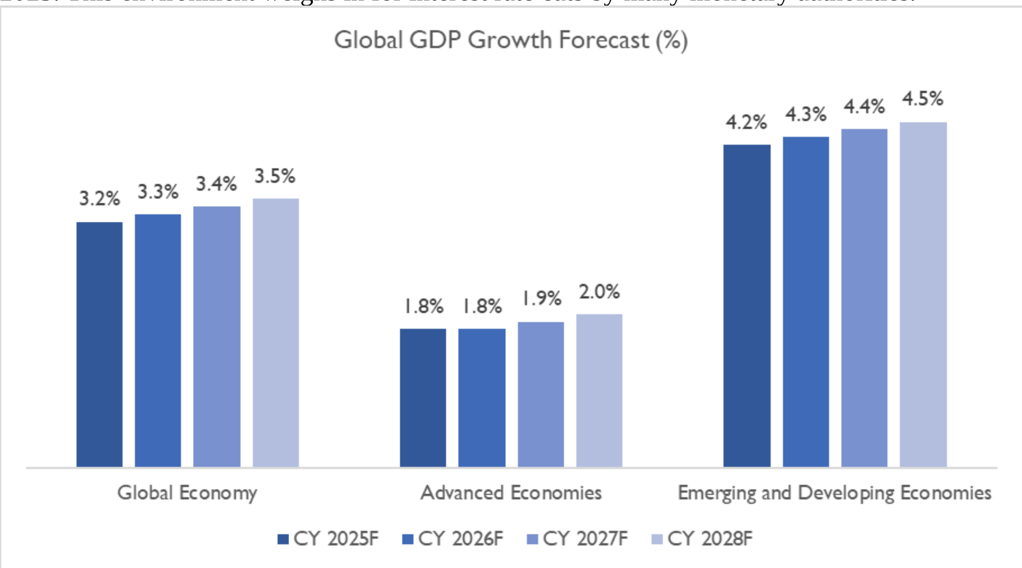


Source – IMF Global GDP Forecast Release July 2024

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

In the current scenario, global GDP growth is estimated to have recorded a moderate growth of 3.3% in CY 2023 as compared to 3.5% growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

Slow growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record a flat growth of 3.2% in CY 2024. The crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP.-After touching the peak in 2022, inflationary pressures slowly eased out in 2023. This environment weighs in for interest rate cuts by many monetary authorities.

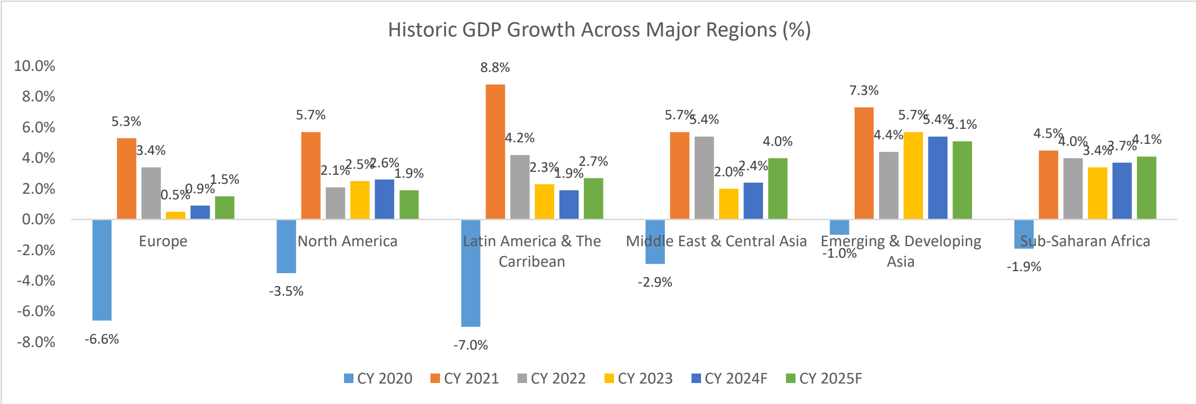


Source – IMF Global GDP Forecast Release 2024, D&B Estimates

GDP Growth Across Major Regions

GDP growth of major regions including Europe, Latin America & The Caribbean, Middle East & Central Asia, and Sub-Saharan Africa, were showing signs of slow growth and recession between 2020 – 2023, but leaving Latin America & The Caribbean, 2024 is expected to show resilience and growth. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia etc.) is expected to decrease from 5.4% in CY

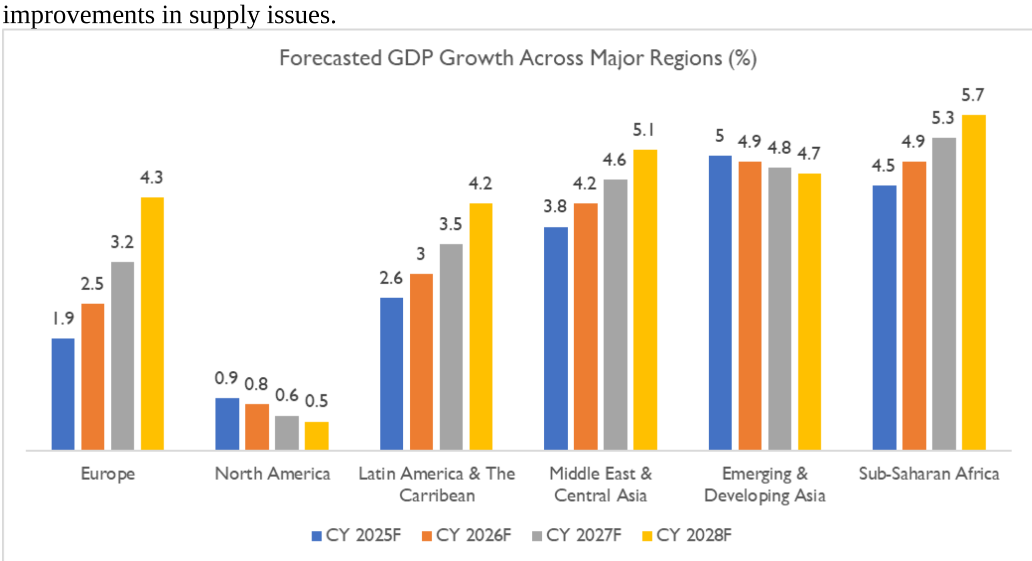
2023 to 5.2% in CY 2024, while in the United States, it is expected to decrease from 2.5% in CY 2023 to 2.1% in CY 2024.



Source-IMF World Economic Outlook July 2024 update.

Except for Emerging and Developing Asia, Latin America & The Caribbean and the United States, all other regions are expected to record an increase in GDP growth rate in CY 2024 as compared to CY 2023. GDP growth in Latin America & The Caribbean is expected to decline due to negative growth in Argentina. Further, growth in the United States is expected to come down at 2.1% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Although Europe experienced a less robust performance in 2023, the recovery in 2024 is expected to be driven by increased household consumption as the impact of energy price shocks diminishes and inflation decreases, thereby bolstering real income growth. Meanwhile, India and China saw greater-than-anticipated growth in 2023 due to heightened government spending and robust domestic demand, respectively. Sub-Saharan Africa's expected growth in 2024 is attributed to the diminishing negative impacts of previous weather shocks and gradual improvements in supply issues.



Source-IMF, OECD, and World Bank, D&B Estimates

Global Economic Outlook

At the midpoint of the year, so far in 2024 we have seen divergence in outcomes and prospects around the world in terms of economic growth, inflation, and policy responses. On balance, global short-term economic prospects have improved over the course of the year. We expect this momentum to continue through the second half of 2024 and into 2025 as inflation eases further and monetary policy continues to loosen, supporting steady growth. Macroeconomic risks, in our view, have become more balanced.

The U.S. has performed better than other developed economies, particularly those in Europe where the consumer sentiment has been relatively weak – though the picture in Europe has been varied. A sustained recovery in tourism this year has boosted the economies of Greece and Spain, whereas Germany, France, and Italy have been held back by the slower recovery of manufacturing. Nonetheless, the European Central Bank (ECB) lowered the three key interest rates in June – for the first time since September 2019 – which will support stronger regional growth.

Growth in the Chinese Mainland has held up well so far this year despite challenges from the property market amid ongoing rebalancing, and the export cycle is supporting growth in the rest of Asia. In Latin America, larger economies, such as Brazil and Mexico, tend to be performing more moderately than smaller economies, such as Chile and Peru, indicating slower regional growth overall.

Globally, industrial production has been relatively sluggish because of restrictive trade policies, persistent supply chain disruptions, high interest rates, and anaemic growth. We expect industrial production to gather steam later this year and into 2025 on the back of a gradual recovery in global trade, stimulated by stronger domestic demand for goods.

Policy responses have diverged so far this year and are set to remain so in the near term. Central banks have begun rate cutting cycles in several developed economies, including the Eurozone, Canada, Sweden, and Switzerland. However not every economy has followed suit. Disinflation has not been as predictable as it was in 2023, and underlying price pressures mean inflation is likely to remain bumpy this year – hence, policy will remain more restrictive than was anticipated at the start of the year. With relatively stronger economic growth and stickier inflation, the timing of the first interest rate cut by the U.S. Federal Reserve (the Fed) and the onward path of interest rates remains ambiguous.

The global economy is showing signs of stabilizing, yet growth will remain subdued this year before picking up pace in 2025. We forecast global growth of around 2.5% in 2024, half a percentage point softer than in the decade following the financial crisis. The weaker outlook reflects fiscal consolidation, lagged tight monetary policy, restrictive trade policies, and elevated levels of geopolitical uncertainty. Looking ahead to 2025, global growth is likely to pick up slightly to 2.8% as the impact of these factors declines and stronger growth becomes more entrenched.

Emerging economies look set for softer growth in general this year. On a regional basis, growth is likely to be markedly slower in Eastern Europe, but only slightly softer in Asia Pacific and Latin America, with growth only moderately slower in key economies such as the Chinese Mainland, India, and Brazil. Outcomes in developed economies are also mixed but largely remain subdued because of tight policy settings.

India Macroeconomic Analysis

GDP Growth Scenario

India's economy showed resilience with GDP growing at 8.2% in CY 2023. The GDP growth in CY 2023 represents a return to pre pandemic era growth path. Even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world.

Country	Real GDP Growth (CY 2023)	Projected GDP Growth (CY 2024)	Projected GDP Growth (CY 2025)
India	8.20%	7.00%	6.50%
China	5.20%	5.00%	4.50%
Russia	3.60%	3.20%	1.50%
Brazil	2.90%	2.10%	2.40%
United States	2.50%	2.60%	1.90%
Japan	1.90%	0.70%	1.00%
Canada	1.20%	1.30%	2.40%
Italy	0.90%	0.70%	0.90%
France	1.10%	0.90%	1.30%
South Africa	0.70%	0.90%	1.20%

Country	Real GDP Growth (CY 2023)	Projected GDP Growth (CY 2024)	Projected GDP Growth (CY 2025)
United Kingdom	0.10%	0.70%	1.50%
Germany	-0.20%	0.20%	1.30%

Source: World Economic Outlook, July 2024

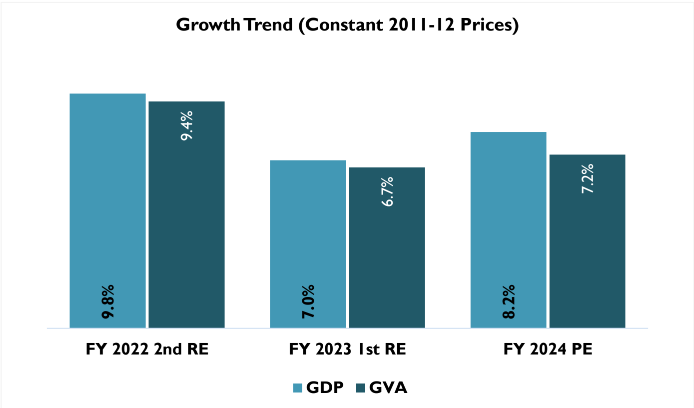
Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South) Countries have been arranged in descending order of GDP growth in 2023).

There are few factors aiding India's economic recovery – notably its resilience to external shocks and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex (capital expenditure) cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of the central government increased by 37.4% increase in capital expenditure (budget estimates), to the tune of INR 10 trillion in the Union Budget 2023-2024. The announcement also included a 30% increase in financial assistance to states at INR 1.3 trillion for capex. The improvement was accentuated further as the Budget 2024-2025 announced an 11.1% increase in the capital expenditure outlay at INR 11.11trillion, constituting 3.4% of the GDP. This has provided much-needed confidence to the private sector, and in turn, attracted private investment.

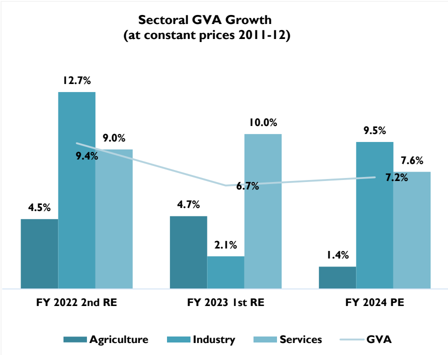
On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from the corporate sector to fund the next round of expansion plans. The banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to the micro, small, and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the fiscal year 2024 grew by 14% to INR 10.31 trillion compared to INR 9.02 trillion as on 24 March 2023. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

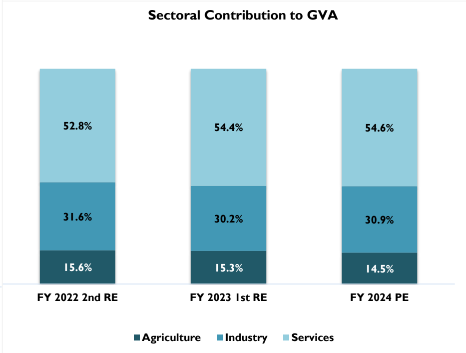
As per the provisional estimates 2023-24, India's GDP in FY 2024 grew by 8.2% compared to 7.0% in the previous fiscal on the back of solid performances in manufacturing, mining, and construction sectors. The year-on-year increase in growth rate is also partly due to by a strong growth in investment demand led by public capital expenditure.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24
RE stands for Revised Estimates, SAE stands for Second Advance Estimates

Sectoral Contribution to GVA and annual growth trend





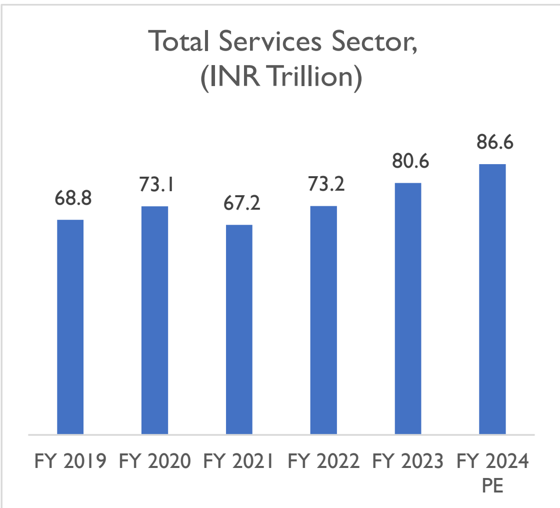
Source: Ministry of Statistics & Programme Implementation (MOSPI)

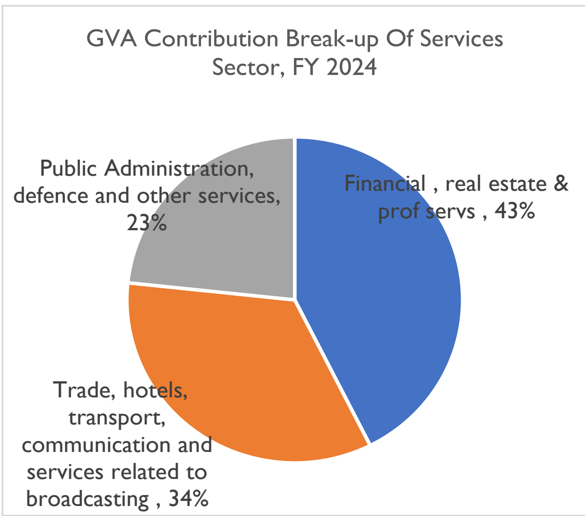
Sectoral analysis of GVA reveals industrial sector recovered sharply registering 9.5% y-o-y increase in FY 2024 against 2.1% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing and construction sector rose significantly and it registered a growth of 7.1%, 9.9% and 9.9% in FY 2024 against a y-o-y change of 1.9%, -2.20%, and 9.44% in FY 2023, respectively. Utilities sector observed a marginal moderation in y-o-y growth to 7.5% against 9.44% in the previous years.

Talking about the services sector's performance, with major relaxation in covid restriction, progress on COVID-19 vaccination and living with virus attitude, business in the service sector gradually returned to normalcy in FY 2023. Economic recovery was supported by the service sector as individual mobility returned to the pre-pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen in FY 2023 and grow in FY 2024, although the growth hasn't shown substantial increases. In FY 2024, services sector grew by 7.6% against 10% y-o-y growth in the previous year.

Expansion in Service Sector

Services sector is a major contributor to the country's overall economic growth. In absolute terms, services sector GVA has increased from INR 68.78 trillion in FY 2019 to INR 86.6 trillion in FY 2024 (as per the provisional estimated), registering a CAGR of nearly 5%. Within Services sector, the GVA by financial, real estate and professional services-the largest contributing segment observed 6.3% CAGR while Public Administration, defence and other services0F1 observed 4.5% CAGR and Trade, hotels, transport, communication, and services related to broadcasting witnessed 3.1% CAGR between FY 2019-24.





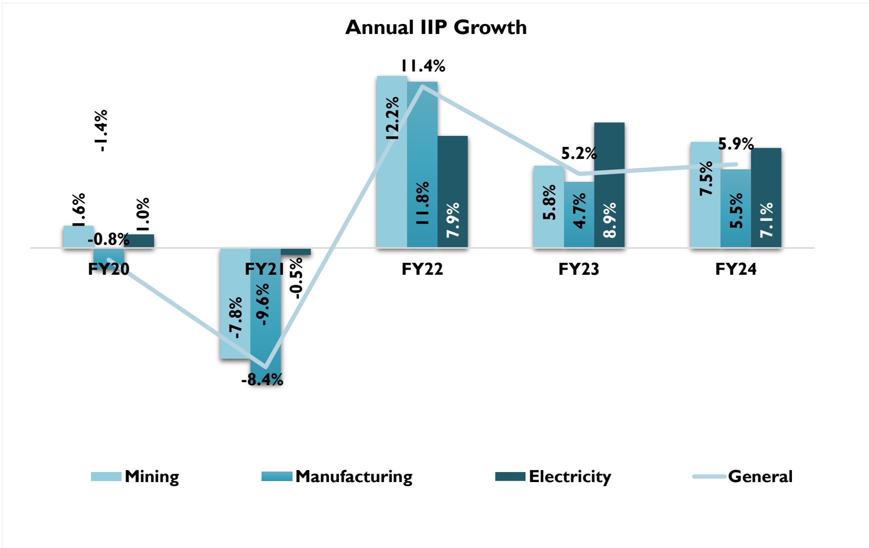
Sources: MOSPI, CMIE Economic Outlook and Dun & Bradstreet Research Estimates2F1F2

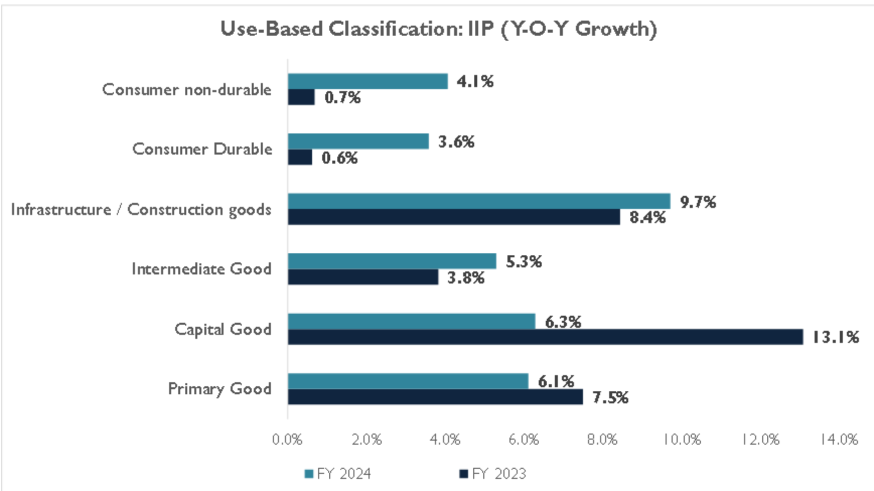
[1] Other services include Education, Health, Recreation, and other personal services.
[2] Projection as Based on CMIE Growth rate till FY 2029 and FY 2030 is based on Dun & Bradstreet assumption.

India's HSBC Services Purchasing Managers' Index, an important indicator to track service sector performance, measured 60.3 in July 2024 against 60.5 in the previous month. Since August 2021, the services sector has consistently remained above the threshold of 50, which distinguishes growth from contraction.

IIP Growth

Industrial sector performance as measured by IIP index; in FY 2024 it is growing at 5.9% (against 5.2% in FY 2023). Previously IIP index exhibited temporary recovery in FY 2022 from the low of Covid induced slowdown in industrial growth during FY 2020 and FY 2021. Manufacturing index, with 77.6% weightage in overall index, grew by 5.5% in FY 2023 against 4.7% y-o-y growth in FY 2022 while mining sector index too grew by 7.5% against 5.8% in the previous years. Mining & manufacturing both shown improvement according to previous except the Electricity sector Index, witnessed an improvement of 7.1% against 8.9% in the previous year.

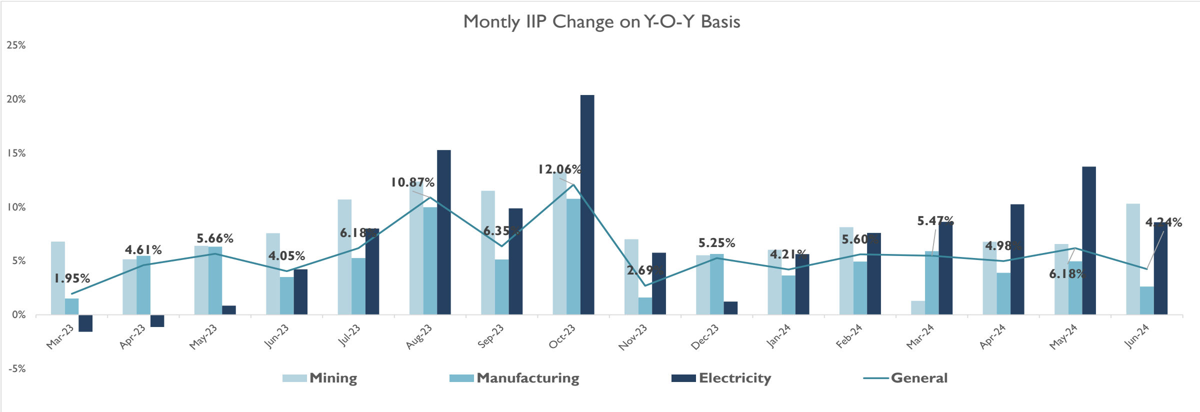




Source: Ministry of Statistics & Programme Implementation (MOSPI)

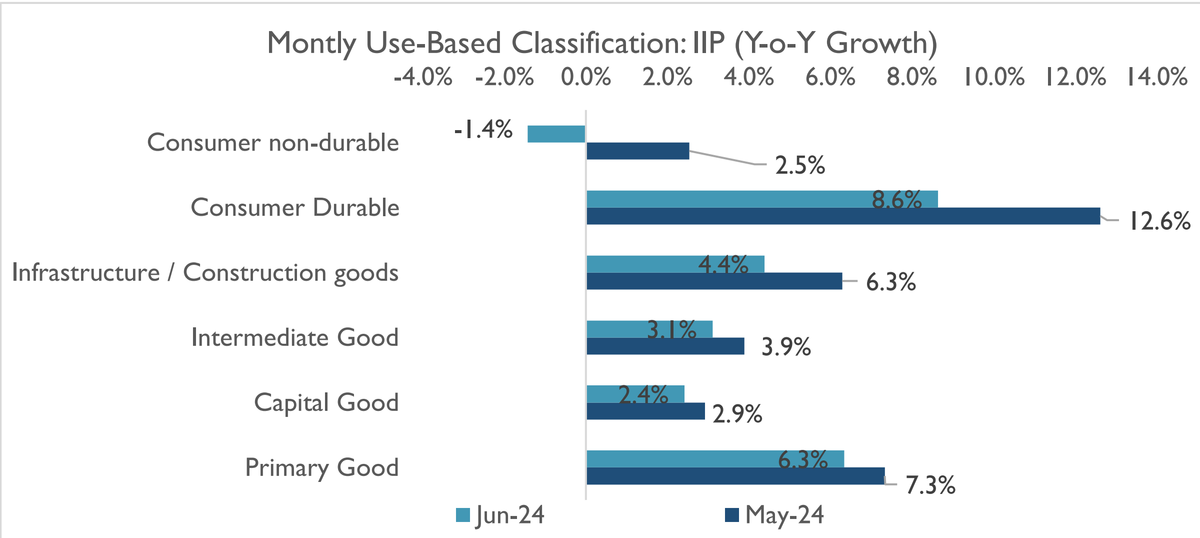
As per the use-based classification, most of the segments has shown growth for FY 2024 as compared to FY 2023. Capital good and primary goods were segments which faced less growth as compared to previous year. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance. In contrast all the segments except the above two have shown growth.

Monthly IIP Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

In the current fiscal FY 2025, the monthly IIP measured index has reported steady improvement over the last fiscal. However, the IIP index slowed to a 5-month low and just grew by 4.24% y-o-y in June against 6.18% in the previous month on the back of slowing growth in the manufacturing section. In June 2024, the manufacturing index growth slowed to 2.6% against 6.3% y-o-y growth in June 2023 and 5% in May 2023 while the electricity sector index and mining index exhibited substantial improvement and they grew by 8.6% and 10.3% in June 2024 against 0.9% and 6.4% growth in April 2023, respectively.

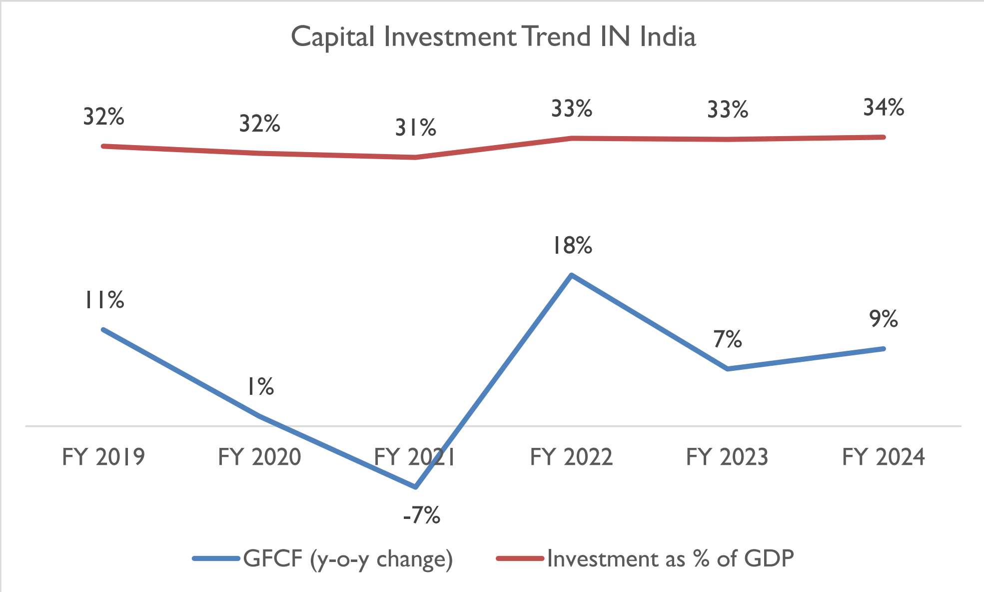


Sources: MOSPI

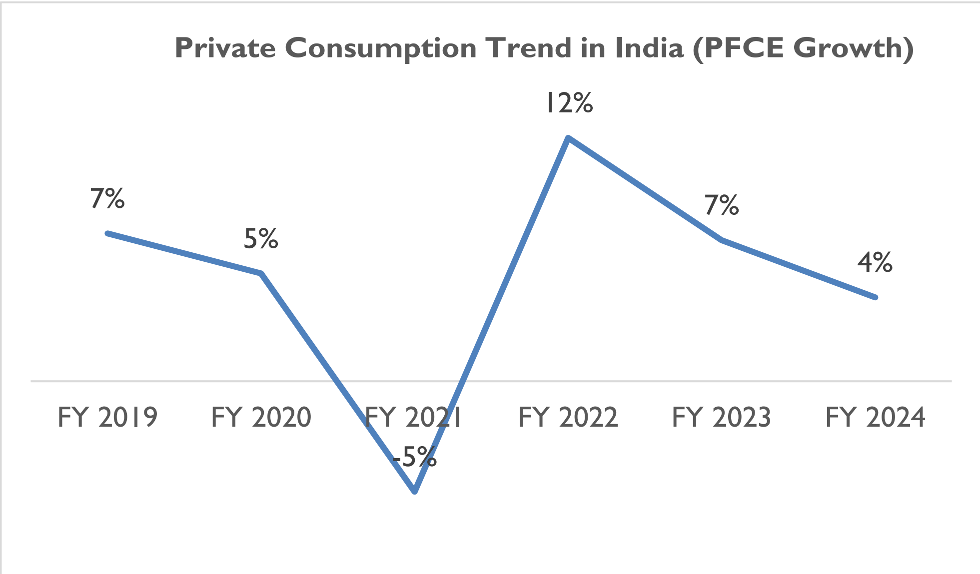
As per the use-based classification, growth in all segments slowed in June 2024 as compared to the previous month. Consumer non-durable declined by 1.4% in June 2024 against 2.5% increase in the previous month. In May 2024, all segments showed a substantial increase in growth.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, gained strength during FY 2024 as it grew by 9% on a y-o-y basis against 7% yearly growth in the previous fiscal, while GFCF to GDP ratio measured an all-time high settled higher at 34%.



Sources: MOSPI

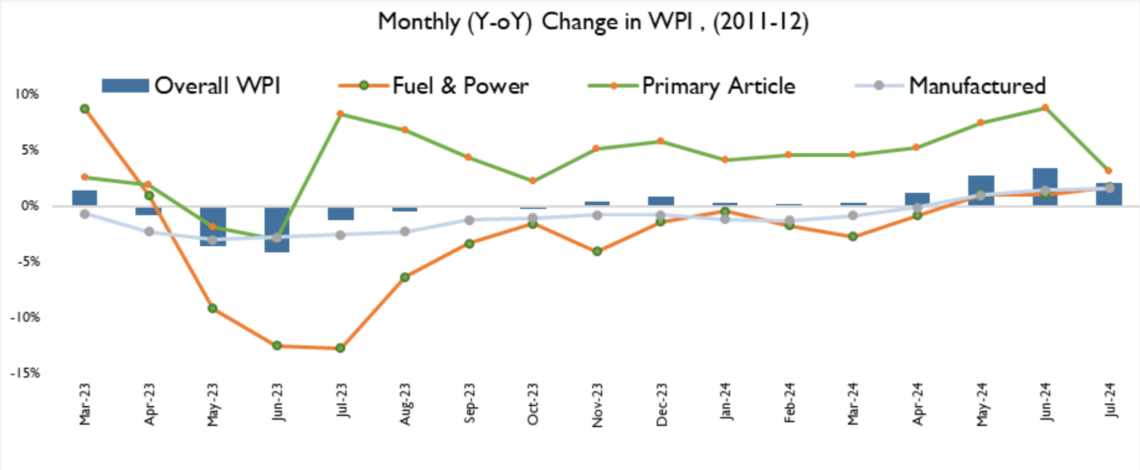


Sources: MOSPI

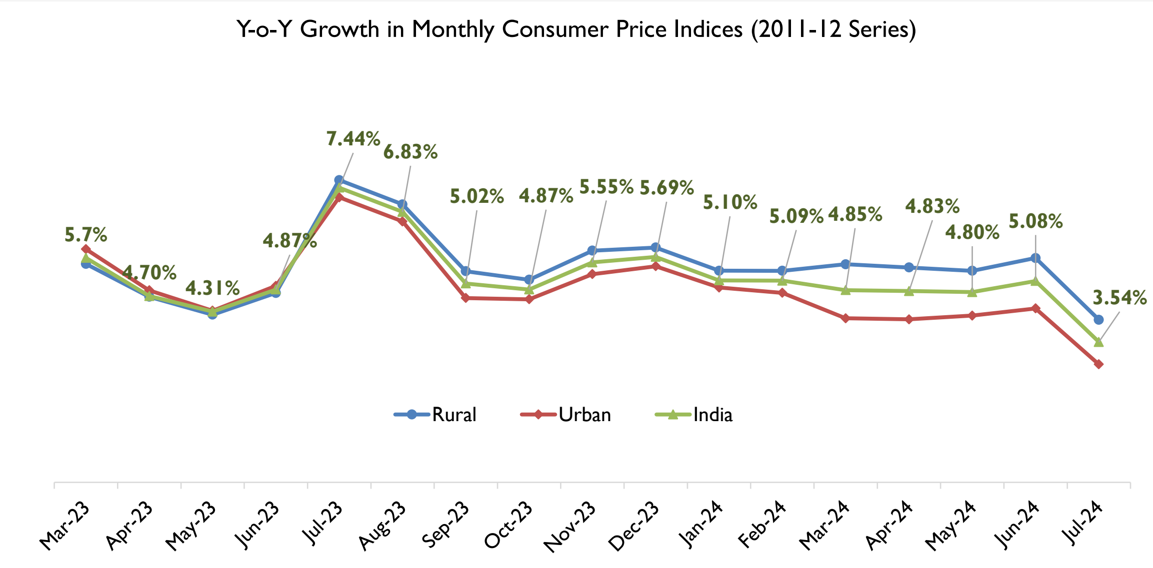
Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 4% y-o-y growth in FY 2024 against 7% in FY 2023.

Inflation Scenario

The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from March 2023 to July 2024. Overall WPI saw a sharp decline to -1.2% in July 2023, primarily driven by steep drops in Fuel & Power and Manufactured Products, reflecting reduced global demand and falling input costs. However, a recovery was noted by June 2024, with WPI reaching 3.4%, supported by a strong rise in Primary Articles and a rebound in Fuel & Power prices. By July 2024, while Primary Articles growth moderated to 3.1%, the WPI remained positive at 2.0%, indicating stabilization in the market after earlier volatility.



Source: MOSPI, Office of Economic Advisor.



Source: CMIE Economic Outlook

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between March 2023 and July 2024. Rural CPI inflation peaked at 7.63% in July 2023, before declining to 4.10% in July 2024. Urban CPI inflation followed a similar trend, rising to 7.20% in July 2023 and then dropping to 2.98% in July 2024. Overall, the national CPI inflation rate increased to 7.44% in July 2023 but moderated to 3.54% by July 2024, indicating a gradual easing of inflationary pressures across both rural and urban areas over the period. CPI measured below 6% tolerance limit of the central bank since September 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to the current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Growth Outlook

India's economy has exceeded expectations, registering an 8.2% growth in FY24. High-frequency indicators such as automobile sales, e-way bills, cargo traffic, and exports signal sustained growth momentum into Q2 FY25. However, the rural demand outlook is tied to the monsoon, where inconsistent rainfall could impact the agriculture sector and inflation. The government is proactively boosting grain storage capacity to mitigate these risks. On the credit front, the Reserve Bank of India (RBI) has kept the policy rate unchanged, with inflation expected to average around 5% in FY25. Despite stable policy rates, lending rates may rise due to the incomplete transmission of earlier hikes, while strong credit growth in the private sector suggests potential capacity expansion. Supply-side challenges persist, particularly in food storage infrastructure. The government has launched a massive initiative to enhance grain storage capacity by 70 million tonnes over the next five years. The recent long-term agreement for operating Iran's Chabahar Port is also set to bolster trade and supply chain resilience.

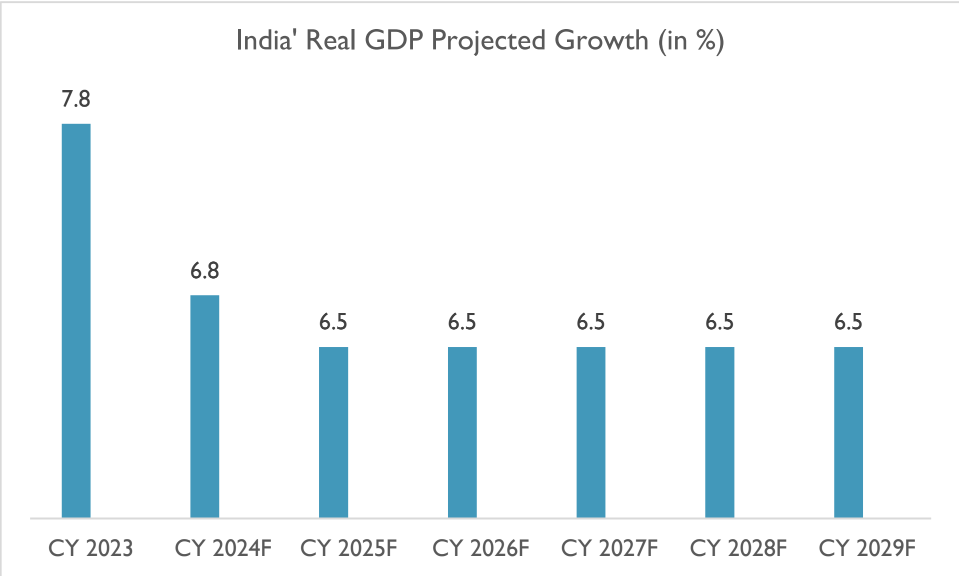
In terms of trade, India's recent agreements, particularly with the European Free Trade Association (EFTA) and Oman, are opening new markets and opportunities for exports. The proposed mega-distribution hub in the UAE by 2025 will further support India's global trade ambitions, particularly in Africa, Europe, and the US.

Politically, the continuation of the National Democratic Alliance (NDA) government signals sustained reforms, with optimism around labour and land reforms. The government is also taking steps to control retail inflation by managing food prices and import duties. The external environment remains cautious, with geopolitical tensions, particularly in Gaza, posing potential risks to global stability.

Overall, India's short-term growth outlook remains positive, underpinned by strong domestic demand, proactive government measures, and expanding global trade relationships, despite some challenges in the rural economy and supply chain infrastructure.

India’s Projected Economic Growth

Looking ahead to 2024, India's projected GDP growth of 6.8% in 2024 stands out as the fastest among major emerging markets, significantly outpacing China's 4.6%, and Brazil's 2.2%. This robust growth trajectory is expected to sustain at 6.5% annually from 2025 to 2029, reflecting strong economic fundamentals and continued momentum.



Source: IMF

This decent growth momentum in near term (CY 2024) is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilization and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on1st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY2024 and setting a lower-than expected fiscal deficit target for FY2025, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D (Research & Development) in the sunrise sectors.

Achieving a reduced fiscal deficit of 5.8% in FY2024 and projecting a lower than-anticipated fiscal deficit of 4.9% as announced in the interim budget in July 2024 for the current fiscal year (FY 2025) are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 billion) for fiscal year 2024-25 – is at a 21-year high (3.3% of GDP in fiscal year 2023-24. The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and reduce logistics costs.

India's optimistic economic outlook is underpinned by its demographic dividend, which brings a substantial workforce that boosts labor participation and productivity. The burgeoning middle class and urbanization contribute to increased domestic consumption, driven by rising incomes and purchasing power. Extensive investments in infrastructure, encompassing roads, railways, ports, and digital connectivity, are enhancing productivity and efficiency, with government initiatives like the Smart Cities Mission and PM Gati Shakti creating a conducive growth environment. This digital transformation, catalyzed by initiatives such as Digital India, is fostering a tech-driven economy marked by enhanced internet penetration, digital payments, and e-governance, thereby fueling growth in sectors like fintech, e-commerce, and digital services. The push to position India as a global manufacturing hub through Make in India and PLI (Production Linked Incentive) schemes is further boosting industrial output, exports, and domestic production capabilities. Compared to other major emerging markets facing demographic and economic challenges, India's combination of demographic strengths, policy reforms, and strategic initiatives positions it as a standout performer and a significant driver of global economic growth in the foreseeable future.

Some of the key factors that would propel India's economic growth.

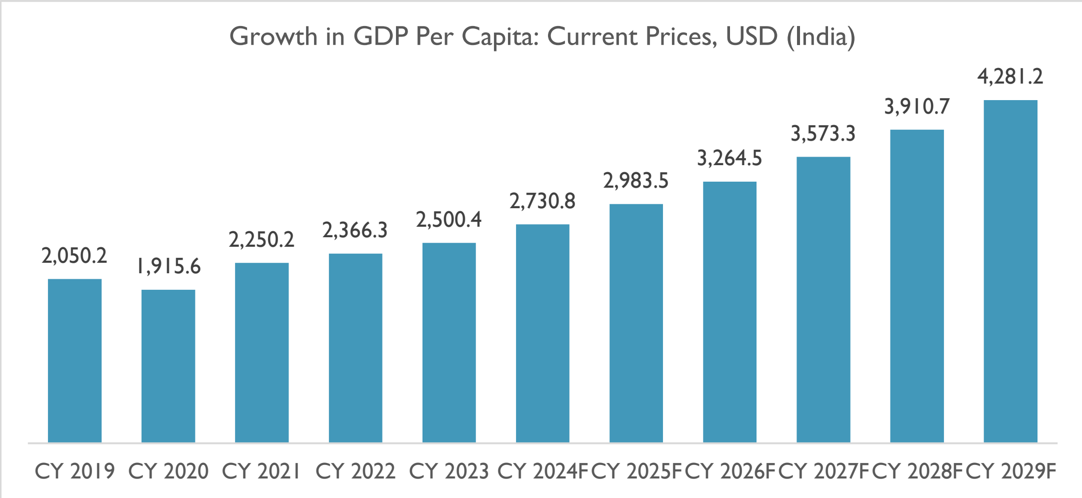
Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. PFCE as a percentage of GDP increased to 58% during FY 2022 and FY 2023 while in FY 2024 it settled at 56%. There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power. As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 1.06 lakhs in FY 2024 against 99,404 in FY 2023 and 87,623 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fueled by this growth in per capita income.

India's Per capita GDP trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.



Source: IMF

From CY 2024-29, India's per capita GDP is projected to grow at a compound annual growth rate of 9.4%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives like UPI (Unified Payments Interface), Aadhaar based benefit transfer programs, and streamlining of GST (Goods and Services Tax) collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favorable demographic pattern (with higher percentage of tech savvy youth population) and India's strong IT (Information Technology) sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.

Increased adoption of digital technology and innovation, inclusive and sustainable practices, business-friendly and transparent regulations, and heightened corporate research and development (R&D) investments will further bolster the country's growth. These factors will collectively support employment growth across both private and public sectors, including micro, small, and medium enterprises (MSMEs).

Indian Pharmaceutical Industry

Indian pharmaceutical industry is ranked as the third largest in the world, in terms of volumes of drugs manufactured and thirteenth largest, in terms of value. The Country is also the world's largest supplier of cost-effective generic drugs, and accounts for nearly one fifth of the global trade in generic drugs. India has achieved an enviable position in global generic drug market on the back of its strength in organic chemical synthesis and process engineering.

Indian pharmaceutical industry, which followed process patent structure for close to 30 years -till the amendment of Patent Act in 2005- was favorable for generic drug manufacturers. The process patent structure allowed industry to launch low-cost alternatives to innovator drugs, if the manufacturing process was different. India with its technically skilled labor force was able to reverse engineer patented drugs, and hence became one of the largest and most developed generic drug markets in the world.

The strong generic drug manufacturing infrastructure developed during the process patent regime helped India to become the leading exporter of generic drugs. Additionally, heavy investments in the manufacturing infrastructure which includes the highest number of US FDA certified facilities (outside the US), also ensured Indian drug manufacturers to meet the quality standards mandated by regulated drug markets like the US and EU.

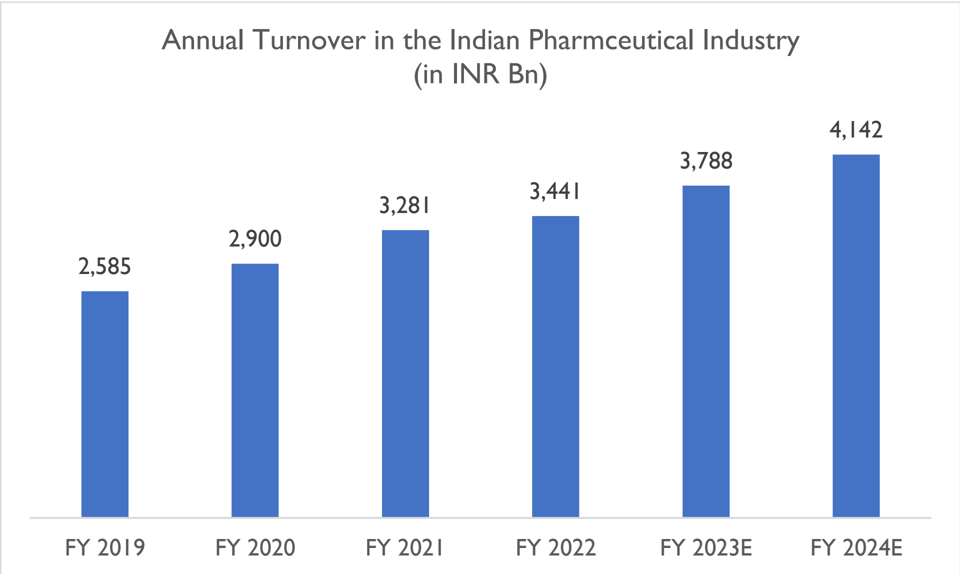
Today India accounts for nearly 60% of the global vaccine production. This includes nearly 70% of WHO demand for vaccines to combat Diphtheria, Tetanus, Pertussis and BCG vaccine as well as nearly 90% of measles vaccine demand. Nearly 80% of the antiretrovirals drugs used to combat AIDS used globally is supplied by Indian pharmaceutical companies.

The change in pharmaceutical patent regime have resulted in increased focus on Research & Development initiatives. Today, in the field of innovator drugs as well as biologics, Indian pharmaceutical industry is considered a leader among developing economies.

Key segments in Indian pharmaceutical industry are:
- Active Pharmaceutical Ingredient / Bulk Drug Manufacturers
- Formulation Manufacturers
- Contract Research and Manufacturing Service Companies
- Biotechnology Companies

Market Scenario

India's strong position in generic drug manufacturing has been a major growth driver for the pharmaceutical industry. With patents expiring on several blockbuster drugs globally, Indian pharmaceutical companies have capitalized on the opportunity to produce and export cost-effective generic alternatives, boosting turnover. Between FY 2019 – FY 2024, annual turnover in the Indian Pharmaceutical Industry increased at a CAGR of 9.9%, growing from INR 2,585 Bn in FY 2019 to and estimated INR 4,142 Bn in FY 2024.



Source: Annual Report, Department of Pharmaceuticals, Dun & Bradstreet Estimates

Additionally, the pharma companies have been expanding their footprint in global markets. Strategic acquisitions, partnerships, and compliance with international quality standards have enabled Indian firms to increase their exports, thereby enhancing their revenue streams. Increased investment in research and development (R&D), innovation in drug formulations, and the development of new therapeutic segments have also driven industry growth. The focus on biopharmaceuticals, vaccines, and biosimilars has opened new revenue channels.

The COVID-19 pandemic significantly impacted the pharmaceutical industry, with increased demand for medications, vaccines, and healthcare products. Indian pharmaceutical companies played a crucial role in global vaccine supply, and the surge in demand for COVID-19-related treatments and healthcare products contributed to higher turnover during FY 2021, with a year-on-year growth of 13%.

Furthermore, efforts to enhance the supply chain infrastructure, reduce dependency on raw material imports, and increase domestic production of Active Pharmaceutical Ingredients have bolstered industry growth. Government initiatives like the Production Linked Incentive scheme for promoting domestic manufacturing of critical APIs and key starting materials have provided a significant boost.

Key Demand Drivers

The domestic demand for drugs & pharmaceuticals is driven by increasing number of old populations, higher spending on healthcare, penetration of health insurance products, as well as rise in incidence of diseases. Exports also plays a large part in shaping the demand scenario in the industry, as India is the largest exporter of generic medicines in the world.

Domestic Demand Scenario: Key Factors

Aging Population: Demand for healthcare products & services is highest among people aged 60 and above. Hence the size of this population segment has a significant impact on demand. According to population census conducted in 2011 there were 104 million people falling in the said age bracket, making up to nearly 8.6% of total population. By 2026 this population segment is expected to reach nearly 173 million.

Improvement in Affordability: The per capita income level in India has gone up substantially, as the industrial growth created hundreds of thousands of jobs. The disposable income level among Indians, particularly among urban population has improved considerably. This has directly resulted in increasing the pool of people who can access healthcare products and services.

Nutraceuticals: Nutraceuticals, functional foods or dietary supplements, have emerged as a pivotal force driving the growth of the Indian pharmaceutical industry. As consumers increasingly prioritize health and wellness, the demand for these products has surged, creating a lucrative market for pharmaceutical companies. Nutraceuticals offer a unique blend of nutrition and pharmaceutical benefits, addressing a wide range of health concerns, from immunity and digestive health to cognitive function and weight management. This growing demand has spurred pharmaceutical companies to invest in research and development, expand their product portfolios, and establish a strong presence in the nutraceutical market. As a result, the Indian pharmaceutical industry has witnessed a significant increase in revenue, exports, and employment opportunities. Moreover, the rising demand for nutraceuticals has also led to a corresponding increase in the demand for Active Pharmaceutical Ingredients (APIs), the essential building blocks of these products. This has created a positive ripple effect throughout the pharmaceutical value chain, benefiting API manufacturers, suppliers, and distributors.

The Indian nutraceutical market is projected to grow at a CAGR of 10-12% over the next few years. This growth is expected to drive a corresponding increase in the demand for APIs used in nutraceutical production. The Indian government has also recognized the potential of the nutraceutical industry and has implemented various policies and initiatives to promote its growth. These measures include tax incentives, research and development support, and quality control regulations.

Personal Care Products

Personal care products, encompassing a wide range of items from skincare and haircare to cosmetics and toiletries, have become an integral part of modern lifestyles. The increasing emphasis on personal grooming and well-being has fueled a surge in demand for these products, driving growth within the Indian pharmaceutical industry. Pharmaceutical companies have capitalized on this trend by expanding their product lines to include personal care items, leveraging their expertise in formulation, quality control, and distribution. The demand for personal care products has created a significant market for Active Pharmaceutical Ingredients (APIs), which are used in the production of various personal care formulations. As consumers seek products with natural and therapeutic properties, there is a growing preference for APIs derived from herbal and botanical sources. This has led to increased demand for herbal extracts, essential oils, and other natural ingredients, stimulating growth in the API market.

In addition to driving demand for APIs, personal care products also contribute to the growth of the pharmaceutical industry in other ways. For example, many personal care companies are investing in research and development to develop new products that combine elements of personal care and pharmaceuticals. These products, often referred to as "cosmeceuticals," offer consumers a range of benefits, including improved skin health, hair growth, and overall well-being.

Veterinary products

The Indian pharmaceutical industry is significantly driven by the demand for veterinary products. The country's vast livestock population, coupled with rising awareness of animal health and increasing disposable incomes, has created a robust market for veterinary pharmaceuticals. This demand for veterinary products, in turn, drives the demand for Active Pharmaceutical Ingredients (APIs), the essential building blocks of these medications.

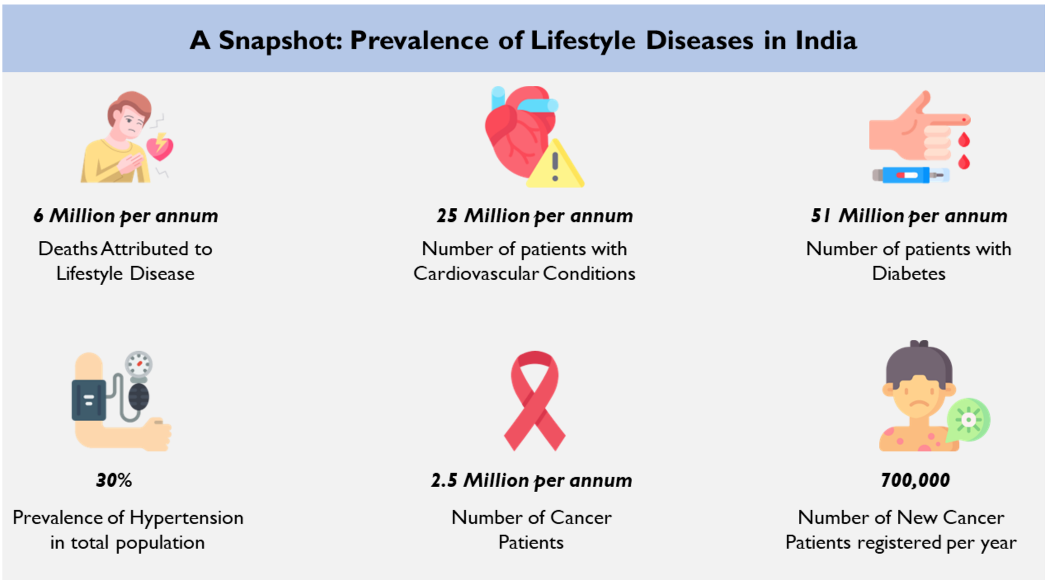
Veterinary pharmaceuticals encompass a wide range of products, including vaccines, anthelmintics, antibiotics, and other treatments for various animal diseases. As the livestock sector expands and becomes more sophisticated, the demand for these products is expected to grow steadily. Indian pharmaceutical companies have been quick to capitalize on this opportunity, investing in research and development to develop innovative veterinary solutions.

Penetration of Health Insurance Products: It is estimated that nearly 70% of healthcare cost in India is met through out of pocket expenditure, creating a dent in the financial health of Indians. The health insurance penetration in India is estimated to be abysmally low at 20%. This high out of pocket expenditure is restricting a sizable segment of patients from accessing pharmaceutical products.

The recent move by the Government of India to launch National Health Protection Mission is expected to increase the health insurance penetration. The target of the program is to provide a health cover of INR 5 lakh per family, to about 10.7 crore families belonging to poor & vulnerable population segment. This would significantly improve the number of patients who can access healthcare products.

Higher Incidences of Lifestyle Diseases: As per a study by Confederation of Indian Industry (CII), approximately 5.8 million Indians die every year from heart disease, stroke, cancer, and diabetes. These medical conditions which are collectively labeled as a lifestyle disease, as their origin is often associated with changes in lifestyle to a consumption-oriented unhealthy lifestyle.

WHO puts the number of diabetes patients in India at 51 million, making it the diabetes capital of the world. The number of patients suffering from cardiovascular diseases is estimated at 25 million, accounting for 60% of total cardiovascular patients in the world.



Source: Dun & Bradstreet Research

These lifestyle diseases, which was once confined to older people is increasingly affecting the younger population, those typically in the age range of 25 to 44. In the national census conducted in 2011, the number of people in the age group 25 to 44 was estimated at 348 million. If the population growth in this segment continues its historical trend, by 2021 there would be close to 423 million people in the age group 25 to 44, translating into a larger base of patients with lifestyle diseases.

Drugs meant to treat these lifestyle diseases are some of the most expensive in the world. Consequently, the expenditure on drugs in the country with a sizable number of patients with lifestyle disease would be one of the highest in the world.

India with its rising number of patients with lifestyle diseases presents an attractive market for pharmaceutical companies. However, most drugs to treat lifestyle diseases are still under patent protection, making it out of bounds for Indian pharmaceutical companies. Nevertheless, the patent protection period of few of these medicines is reaching its end stages, presenting opportunities for generic drug manufacturers in India.

Export Demand: India exported nearly INR 1,794 Bn worth of drugs & pharmaceutical products in FY 2024, making it one of the major pharmaceutical exporters globally. Majority of this export goes into regulated markets including the US, UK and Japan. This include exports of both on-patent and off-patent drugs. India's ascension to the top of global pharmaceutical product exports happened within a span of 10 to 12 years. Annual exports were only INR 90 Bn in FY 2005, but by FY 2019 it crossed INR 1,000 Bn, and by FY 2024, it crossed INR 1,700 mark. In fact, most of the major Indian pharmaceutical companies derive nearly half of their annual revenue from exports.

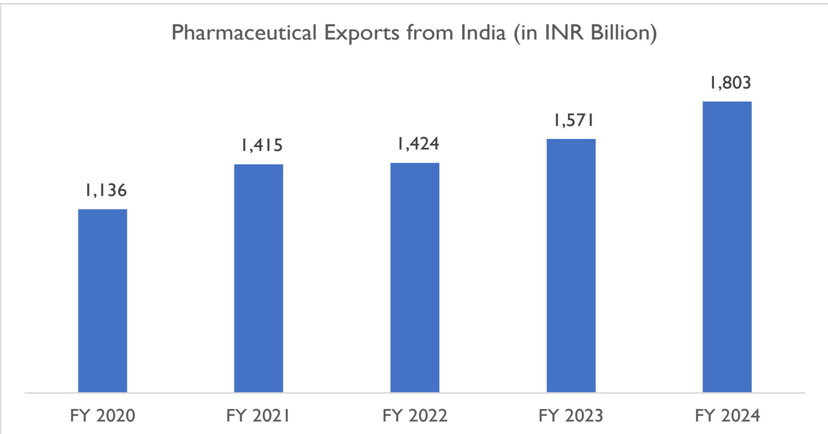
Export of Pharmaceutical Products

Export of Formulations2F3

India is the leading exporter of generic formulations in the world, supplying low-cost pharmaceutical formulations to nearly 200 countries across the globe. These include highly regulated markets like US, EU and Japan as well semi-regulated markets across Asia, Africa, South America, Middle East and Africa. Generic drug formulation dominates the pharmaceutical exports from India, while those of biologics, and biosimilars are picking up (but still remain low). The export of API / bulk drugs from India is low, as domestic manufacturing volume well below demand.

Pharmaceutical exports in FY 2024 totalled INR 1,803 Bn, marking a year-on-year growth of 15% over previous year's figures. The financial years 2022 and 2023 posed significant challenges for Indian pharmaceutical companies due to numerous quality control issues with their drugs reported in countries such as Gambia, Sri Lanka, and Uzbekistan. In 2023, Indian-produced medications faced heightened scrutiny after complications arose in patients following cataract surgeries at government hospitals.

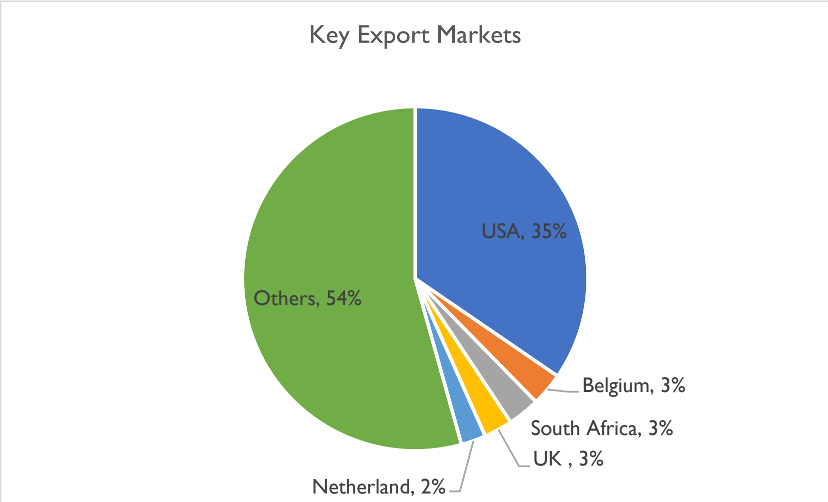
Additionally, the deaths of 88 children in Gambia and Uzbekistan linked to Indian-made cough syrup tarnished India's reputation as a leading global pharmaceutical provider. In response, the Indian government revised the rules under Schedule M of the Drugs and Cosmetics Rules, 1945, in January 2024, establishing new quality standards to align with current global regulatory requirements. Thus, on the back of improved quality standards and increasing market opportunities bolstered by healthy demand in countries like the US, exports recorded healthy growth rate in FY 2024.



Source: Directorate General of Foreign Trade

[3] HS code 3002,3003 and 3004 are considered

USA is the largest export market for pharmaceutical formulations, accounting for a share of 35% in total exports in FY 2024. Other major markets include UK, Belgium, South Africa and Netherlands. Together these five markets accounted for nearly 46% of the total exports in FY 2024.

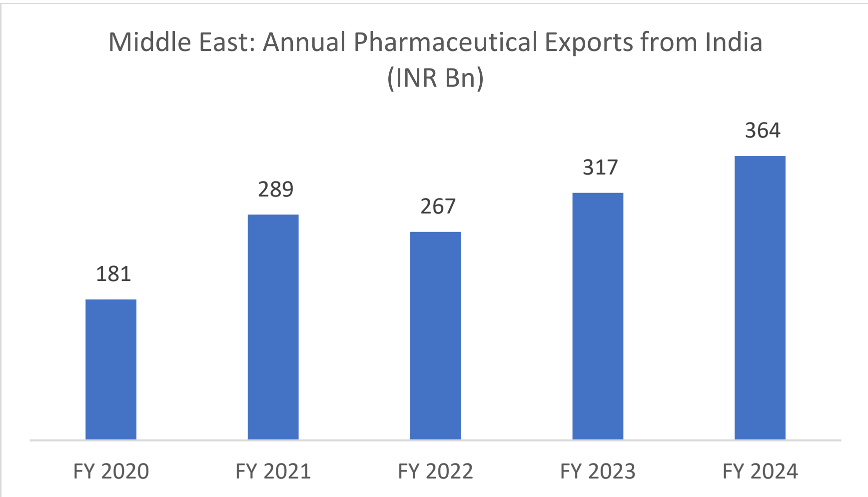


Source: Directorate General of Foreign Trade

Regional Analysis: Pharmaceuticals Exports from India

Middle East

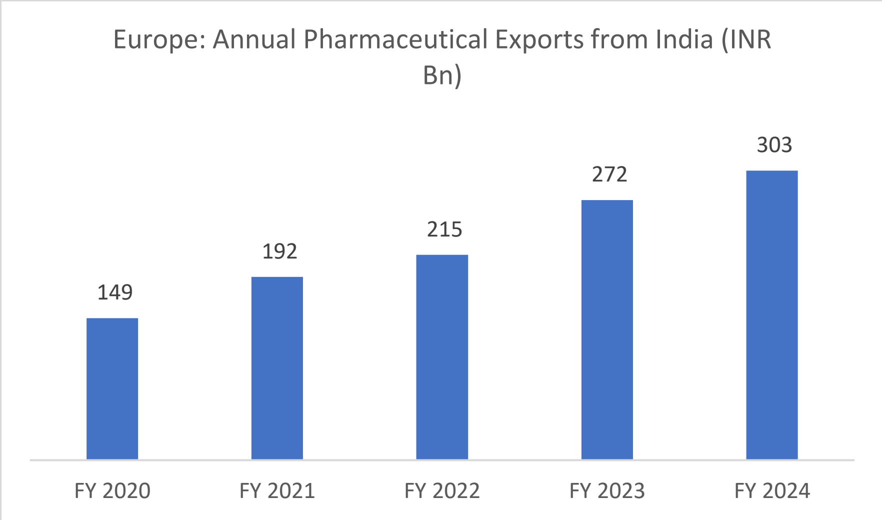
The Middle East has emerged as significant market for Indian pharmaceutical exports. The exports to the Middle East surged from INR 181 billion in FY 2020 to INR 364 billion in FY 2024, indicating a CAGR of over 15%. This growth can be attributed to the region's growing population, increasing healthcare spending, and the demand for affordable medicines. In FY 2024, the Middle East contributed 20.2% to India's total pharmaceutical exports. Saudi Arabia, the United Arab Emirates, and Iran have been among the top destinations for Indian exports within the Middle East.



Source: Central Intelligence Agency (CIA)

Europe

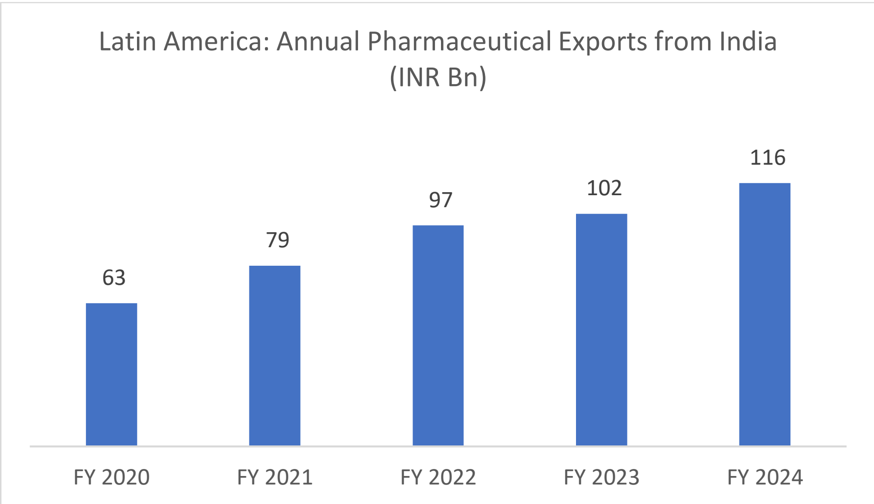
Europe has been a stalwart market for Indian pharmaceutical exports, consistently exhibiting growth over the period. The exports to Europe increased from INR 149 billion in FY 2020 to INR 303 billion in FY 2024, reflecting a compound annual growth rate (CAGR) of approximately 13%. This growth can be attributed to several factors, including India's reputation for producing high-quality generic drugs, a strong regulatory framework, and increasing demand for affordable healthcare solutions. Europe contributed 16.8% to India's total pharmaceutical exports, with exports reaching INR 303 billion. The region's large population, mature healthcare systems, and regulatory frameworks have contributed to its sustained demand for Indian-made pharmaceuticals. The UK, Germany, and France have been among the top destinations for Indian exports within Europe.



Source: Directorate General of Foreign Trade

Latin America

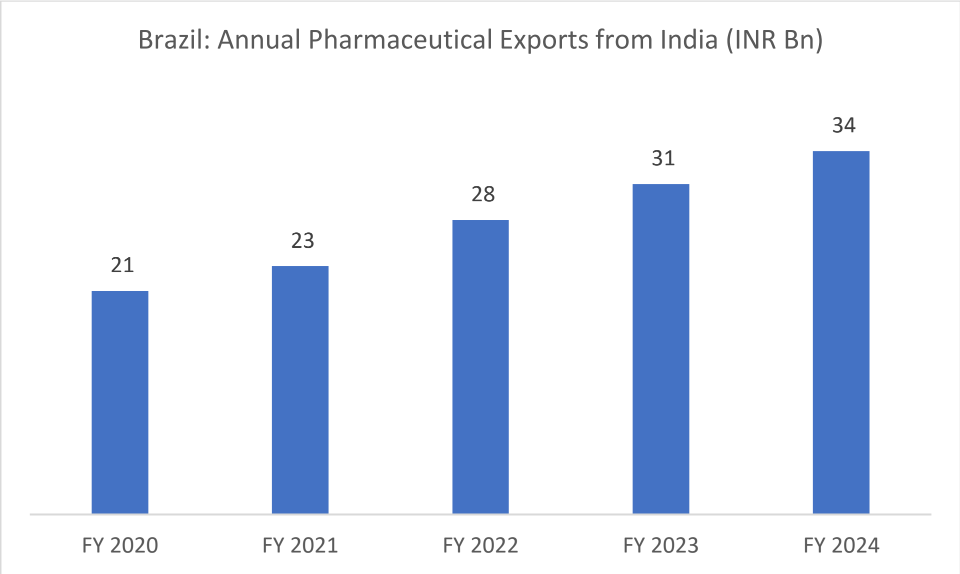
Indian pharmaceutical exports to Latin America have also witnessed a steady upward trajectory. The exports rose from INR 63 billion in FY 2020 to INR 116 billion in FY 2024, registering a CAGR of around 10%, accounting for 6.4% of the total exports. The region's growing population, rising healthcare expenditure, and increasing awareness of generic drugs have contributed to this growth. India's ability to offer cost-effective alternatives to branded drugs has made it a preferred supplier for Latin American countries. Brazil, Mexico, and Argentina have been key markets for Indian pharmaceutical companies.



Source: Directorate General of Foreign Trade

Brazil

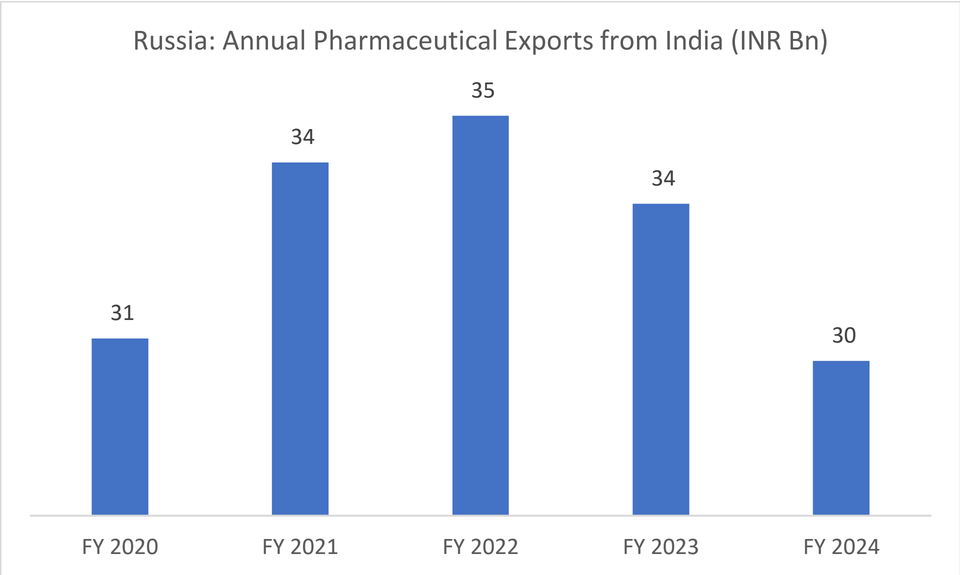
Brazil has emerged as a significant market for Indian pharmaceutical exports, with shipments reaching INR 34 billion in FY 2024. The country's large population, growing middle class, and increasing healthcare spending have made it an attractive destination for Indian companies. In FY 2024, Brazil accounted for 1.9% of India's total pharmaceutical exports.



Source: Directorate General of Foreign Trade

Russia

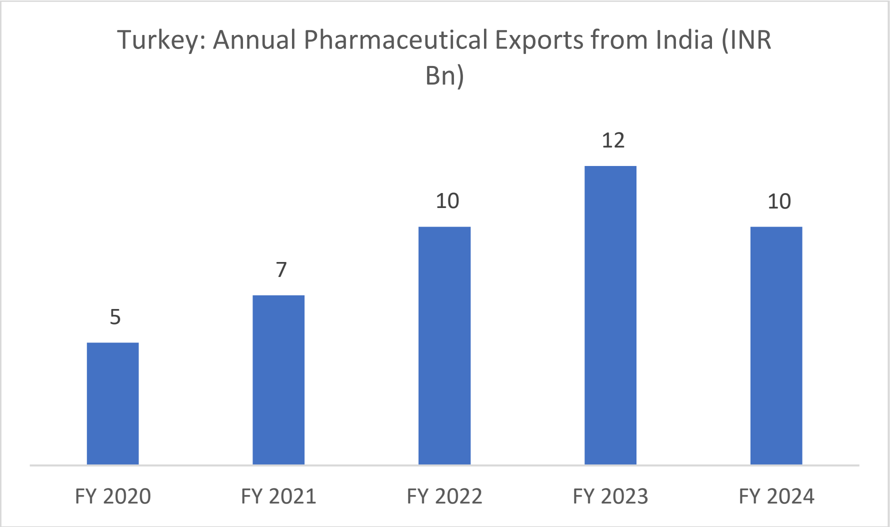
India's exports to Russia have declined slightly in recent years, reaching INR 30 billion in FY 2024. The Russian market, characterized by its large population and growing healthcare needs, offers potential for Indian pharmaceutical companies. However, economic sanctions and geopolitical factors have impacted trade flows.



Source: Directorate General of Foreign Trade

Turkey

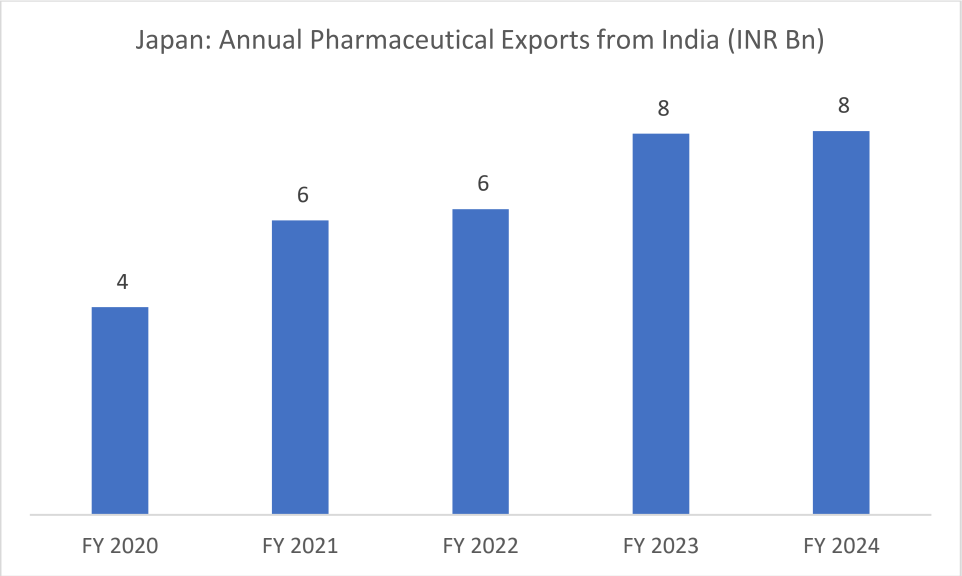
India's exports to Turkey have shown a steady increase, reaching INR 10 billion in FY 2024. Turkey's growing economy, increasing healthcare spending, and a favorable regulatory environment have contributed to its attractiveness as a market for Indian pharmaceuticals.



Source: Directorate General of Foreign Trade

Japan

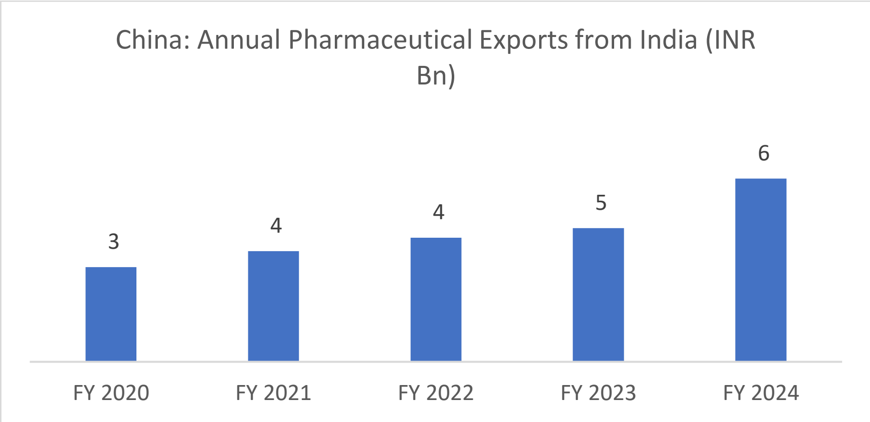
India's exports to Japan have remained stable, reaching INR 8 billion in FY 2024. Japan's stringent regulatory standards and a focus on high-quality pharmaceuticals have made it a challenging market for Indian exporters. Nevertheless, Indian companies have been able to gain a foothold in certain segments, particularly generic drugs.



Source: Directorate General of Foreign Trade

China

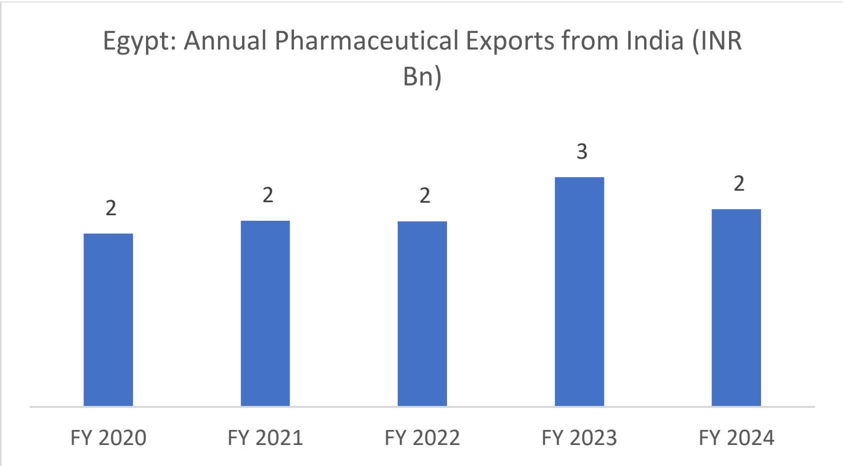
While China is a major player in the global pharmaceutical market, India's exports to this region have remained relatively small. The exports have increased from INR 3 billion in FY 2020 to INR 6 billion in FY 2024. However, the Chinese pharmaceutical market is highly competitive, and Indian companies face challenges in gaining market share. Regulatory hurdles and competition from domestic manufacturers have posed challenges.



Source: Directorate General of Foreign Trade

Egypt

India's exports to Egypt have remained relatively small, reaching INR 2 billion in FY 2024. Egypt is a developing market with a growing population, but it faces economic challenges that limit its pharmaceutical market growth.



Source: Directorate General of Foreign Trade

South Korea

India's exports to South Korea have remained relatively stable. The exports have increased from INR 1 billion in FY 2020 to INR 2 billion in FY 2024. The Korean market, known for its advanced healthcare infrastructure and stringent quality standards, requires Indian companies to meet stringent regulatory requirements.

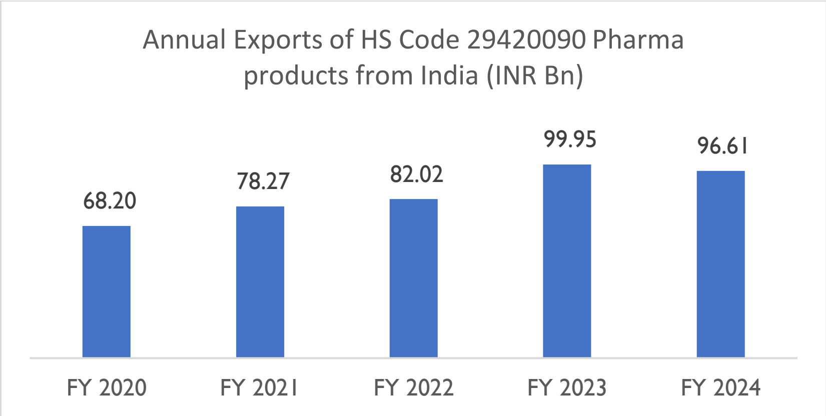
Source: Directorate General of Foreign Trade

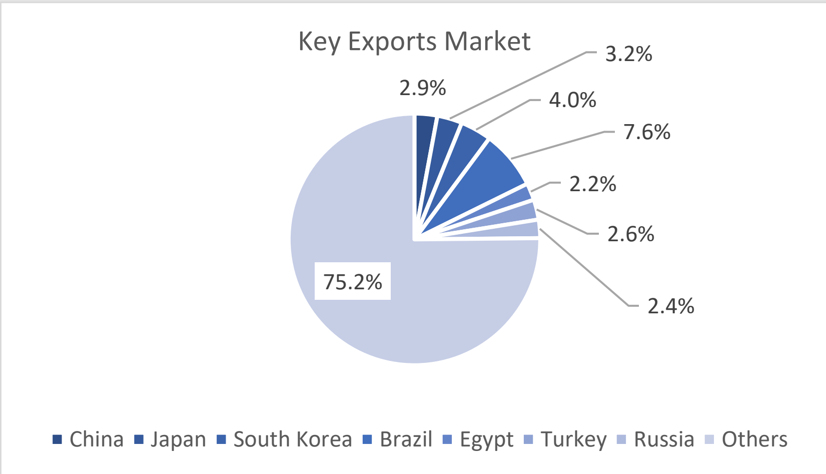
Product Analysis: Pharmaceuticals Exports from India

HS Code 29420090 Pharmaceuticals

HS Code 29420090 encompasses a diverse range of pharmaceutical products, including diloxanide furoate, cimetidine, famotidine, and other unspecified (nes) compounds. These drugs serve vital roles in treating various medical conditions, such as gastrointestinal disorders, ulcers, and allergies.

India's exports of HS Code 29420090 pharmaceuticals have exhibited a steady growth trajectory over the past few years. The total value of exports increased from INR 68.20 billion in FY 2020 to INR 96.61 billion in FY 2024, reflecting a compound annual growth rate (CAGR) of approximately 7.4%.



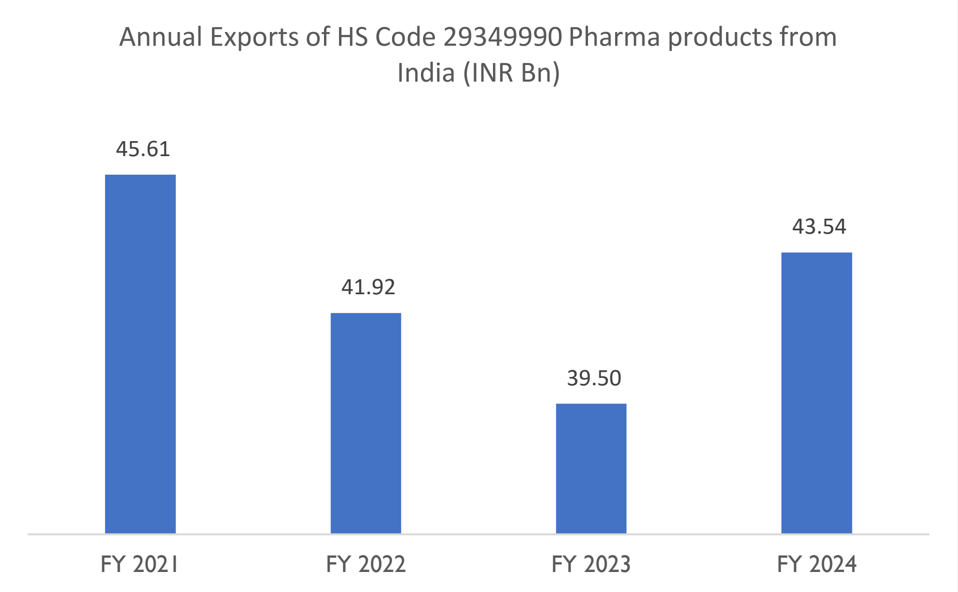


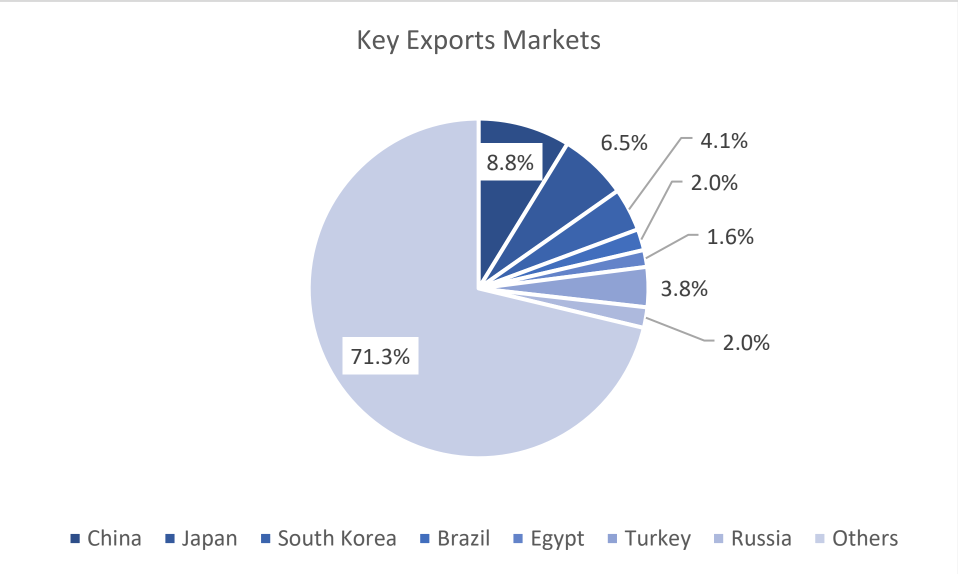
Source: Directorate General of Foreign Trade

HS Code 29349990 Pharmaceuticals

HS Code 29349990 encompasses a diverse range of other heterocyclic compounds used in the pharmaceutical industry. These compounds serve as essential building blocks for various medications, including anti-infective agents, anti-inflammatory drugs, and cardiovascular medications.

India's exports of HS Code 29349990 pharmaceuticals have experienced fluctuations over the past few years. While there was a slight decline from FY 2021 to FY 2023, the exports rebounded in FY 2024, reaching INR 43.54 billion. This indicates a continued demand for these compounds in the global market.



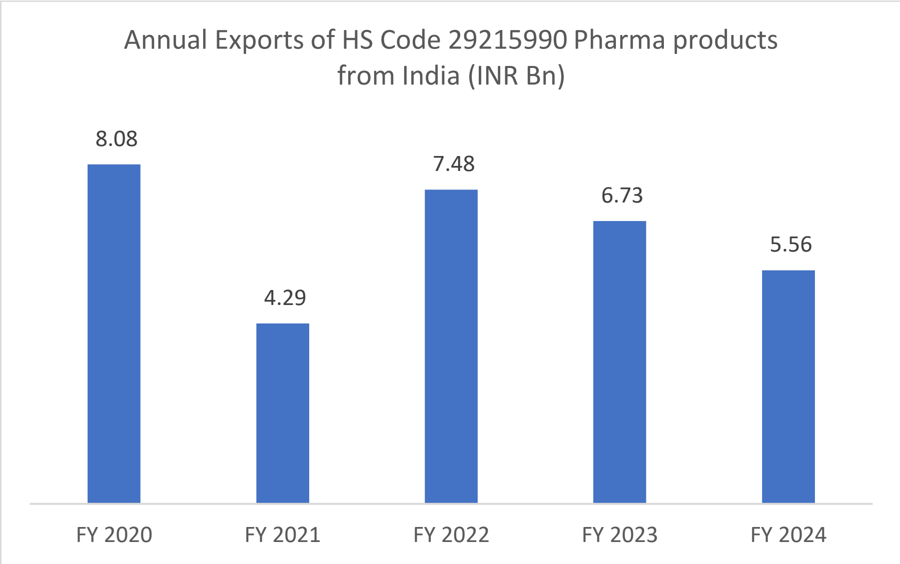


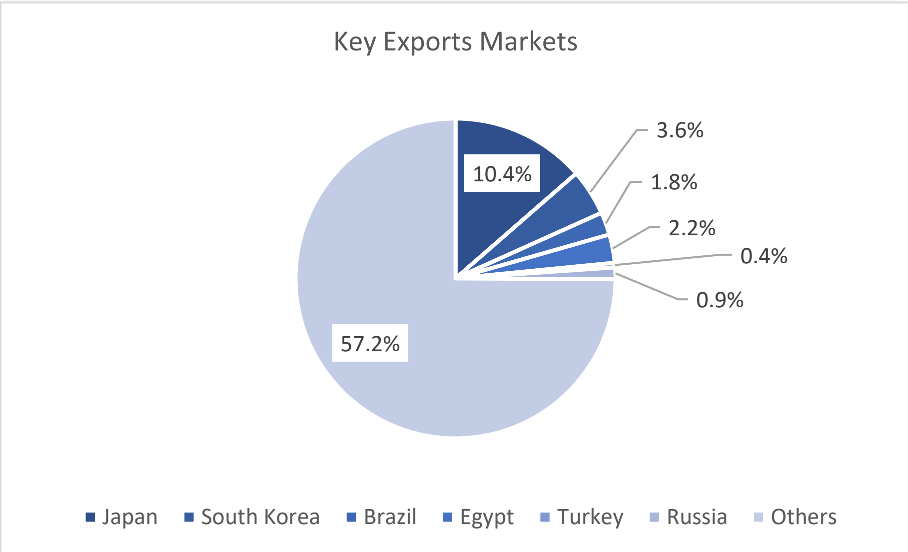
Source: Directorate General of Foreign Trade

HS Code 29215990 Pharmaceuticals

HS Code 29215990 covers aromatic polyamines and their derivatives, as well as their salts, representing a niche but significant segment within India's pharmaceutical exports. Aromatic polyamines play a crucial role in various biological processes, including cell growth, proliferation, and differentiation. Their derivatives and salts have applications in diverse areas such as cancer therapy, anti-inflammatory treatments, and neurodegenerative diseases. The demand for these compounds has been steadily increasing, driven by advancements in medical research and the development of innovative therapeutic approaches.

India's exports of aromatic polyamines and their derivatives have exhibited fluctuations over the past few years. While the segment experienced a significant decline from FY 2020 to FY 2021, it witnessed a resurgence in subsequent years. This volatility can be attributed to several factors, including market dynamics, regulatory changes, and the competitive landscape.





Source: Directorate General of Foreign Trade

Import Dependency for Raw Materials

Despite the advances in pharmaceutical manufacturing, India remains completely dependent on imports for its Active Pharmaceutical Ingredient (API)/ Bulk Drug needs. According to Ministry of Chemicals and Fertilizers, India imports nearly USD 3.6 Bn worth of API/Bulk Drug for its pharmaceutical industry. Nearly two third of these imports comes from China. This indicates the overwhelming dependency of Indian pharmaceutical industry on Chinese API imports. More than 100,000 tons of API required for manufacturing antibiotics is imported to the country every year3F[4].

This dependency on China exposed the Indian pharmaceutical industry to risks earlier this year when API supply from China was disrupted due to Covid impact. Consequently, the price of common APIs used by the pharmaceutical industry went up several times causing significant financial strain to the domestic pharmaceutical industry.

Since then the price level has come down, as supply disruption has been mitigated. Nevertheless, the covid pandemic has forced the pharmaceutical industry and Government to take steps to prevent any recurrence of such a scenario. The major step has been two key policies to improve the bulk drug / API manufacturing scenario in

[4] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1606725

India, namely the Product Linked Incentive (PLI) scheme for bulk drug manufacturing and bulk drug park scheme.

Execution of Production Linked Scheme

PLI scheme for promotion of manufacturing of KSM / DI / API is widely expected to help Indian pharmaceutical industry to scale down its raw material imports. As per Department of Pharmaceuticals, Indian pharmaceutical industry is heavily dependent on import of 53 critical APIs, and the policy has been designed to specifically target the domestic production deficit of these crucial input materials.

Towards this, the department has identified 41 KSM / DI / API which needs to be manufactured at large scale If India is to reduce its import dependency. As a first step the department has identified 50 companies to manufacture these 41 compounds. Depending on the compound and the method of synthesis, the incentive scheme would run till the end of this decade. Given the wide scope of products eligible for PLI and the fairly long period of incentive support, the department of pharmaceutical is hoping to steadily decline API imports and by the end of this decade to become self-sufficient in raw materials or to drastically reduce the import dependency.

Regulatory Scenario

Indian pharmaceutical industry is guided by two notable regulatory aspects, namely The Patent (Amendment) Act 2005 and Drug (Control) Act, 1950. The former changed the intellectual property (IP) framework in Indian pharmaceutical industry, making it illegal to market generic formulations of drugs that are under patent protection.

Patent Framework

Indian pharmaceutical industry made a name for itself as the global hub for generic drugs due to its ability to synthesize generic formulations of innovator drugs. The IP framework prevailing before the Patent Act of 2005 was favoring domestic companies and offered little / no protection to patented drugs that were being marketed in the country. The introduction of The Patent (Amendment) Act 2005 shifted the IP framework in favor of innovator pharmaceutical holding patent on their products. This change forced Indian pharmaceutical sector to reinvent itself. The growth in export of generic formulations (of off-patent drugs) to developed markets took off around the same time, as Indian pharmaceutical companies began to look at alternative markets for their products.

Drug Price Regulatory Framework

Price control in Indian pharmaceutical industry was first introduced in early 1960s, due to the national emergency caused by India China war. Since then the price control regulations have remained in place with the Government modifying key regulations from time to time. The latest revisions regulating the price of drugs marketed in India happened in 2013, when "The Drug (Price Control) Order, 2013" came into force. The primary objective behind the drug price control regulations is to ensure availability of essential medicines at affordable prices.

The new order defines the methodologies adopted to fix the ceiling price of drugs, margin to retailer as well as maximum retail price that can be charged. As per the latest update (happened in August 2018) the Government has notified ceiling price for 857 pharmaceutical formulations. The process of identifying formulations that need to be brought under price control as well as fixing the ceiling price is done by National Pharmaceutical Pricing Authority (NPPA), an independent regulator constituted under the Department of Pharmaceuticals. The mandate of NPPA is to ensure availability and accessibility of essential medicines at affordable prices.

Notable Government Schemes

Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP): The scheme, formerly known as Jan Aushadhi program, is intended to ensure the availability of quality generic medicines at affordable prices. The scheme is currently implemented by a registered body – Bureau of Pharma PSUs of India (BPPI) – and covers more than 800 formulations and 154 surgicals & consumables across major therapeutic segments including anti-infectives, anti-allergic, anti-diabetics, cardiovascular, anti-cancer, and gastro-intestinal medicines, among others.

The medicines, at discounted price, is sold through PMBJP kendras that are spread across the country. As on November 2018 nearly 4,400 such kendras are functioning across the country. It is estimated that patients avail savings in the range of 50 – 90% on medicines purchased from such kendras.

Scheme for Development of Pharmaceutical Industry: The objective of the scheme is to ensure drug security in the country, by increasing the competitiveness and efficiency of the domestic pharmaceutical industry. Indian pharmaceutical industry depends on imports for its bulk drug/API needs, bulk of which is sourced from China. The scenario is similar in the case of medical device industry. The scheme intends to reduce the import dependency. Several sub-schemes have been formulated to achieve this objective. Those are

- Assistance to Bulk Drug Industry for Common Facility Center
- Assistance to Medical Device Industry for Common Facility Center
- Pharmaceutical Technology Upgradation Assistance Scheme
- Assistance for Cluster Development
- Pharmaceutical Promotion Development Scheme

Foreign Direct Investments

The Government has opened pharmaceutical manufacturing to foreign players by relaxing the Foreign Direct Investment cap. As per the current regulatory framework FDI, up to 100% under automatic route is allowed for greenfield project. For brownfield projects, FDI up to 100% is allowed under government approval process. However, up to 74%, FDI in brownfield projects does not require Government approval.

Schemes to improve bulk drug production in India

The Government of India has notified a Production Linked Incentive (PLI) scheme for promoting the domestic production of Key Starting Materials (KSM)/Drug Intermediates (DI) / Active Pharmaceutical Ingredients (API) as well as pharmaceutical formulation products. The gazette notification was published on 21 July 2020.

The need for PLI scheme: Despite being a major pharmaceutical manufacturing and export hub, India is dependent on imports for pharma raw materials (namely APIs). As per the data quoted in the notification, APIs accounted for nearly 63% of total pharmaceutical products imported to India in FY 2019. Industry sources cite that the domestic pharmaceutical industry meets more than 80% of its raw material demand through imports. This high import dependence is a major risk that has the potential to derail the growth prospect of the industry.

If India is to lay claim to the tag of pharmacy to the world, it is imperative that all aspect of drug making is concentrated in domestic market. Moreover, bulk of the raw materials imported comes from China. This high concentration of imports from a single market further increases the risk for the industry. All these factors have prompted the Government to initiate a policy that would encourage domestic API manufacturing. It is a known fact that the preference for imported raw materials was purely due to economic reason.

Domestic API firms are not able to match the low price offered by imports and thus eventually lost out to cheaper imports. The policy had to address this economic reason, and hence the need for an incentive structure. Moreover, the thrust on indigenization is in line with the Atmanirbhar Bharat scheme that is currently promoted by the Government.

The Scheme:

- The PLI scheme provides incentives on the production of 41 eligible products notified by the Department of Pharmaceuticals. These 41 products cover the 53 APIs that is considered critical and is entirely met through imports. The scheme has outlined a minimum threshold investment and minimum annual production volume for each of these 41 products and has also capped the number of eligible applicants in each product category. These 41 products cover KSMs, DI and API that are made either through fermentation or chemical synthesis (4 fermentation based KSM/DI, 10 fermentation based niche KSM/DI/API, 4 chemically synthesized KSM/DI and 23 chemical synthesis based KSM/DI/API).
- The total incentive outlined by the policy is approximately INR 6,940 Crore while the incentive period is for production happening between FY 2021 and FY 2030. Considering the complexity involved in production process, a gestation period is allotted to the selected applicant to start manufacturing. This is 2 years in the case of fermentation based compound and one year in the case of chemical synthesis. It is mandated that the incentive is applicable only on domestic sales, and the incentive would be calculated on the net sale of the eligible product made in the domestic market.
- The incentive rate is flat 10% for chemically synthesized product throughout the term period while for

fermentation based product it is staggered into three buckets. For fermentation based product the incentive rate of 20% is applied for period FY 2023-24 to FY 2026-27, 15% for period FY 2027-28 and 5% for the period FY 2028-29. The Government has also fixed the maximum incentive that can be disbursed for each of the year and for each class of product. The incentive is calculated on the sales price of the eligible product, which should be quoted by the applicant in the application. The quoted sales price is only for incentive calculation and need not be the actual sales price on which the product is sold by the applicant.

- However, the quoted sales price in the application will remain fixed throughout the tenure of the scheme and is the maximum price on which incentive can be sought. For incentive calculation the incentive rate would be applied to net sales, calculated based on actual sales price or quoted sales price in the application, whichever is lower. Incentive disbursal can happen either twice a year (6 month period) or once a year.
- **Investment criteria**: The policy has outlined committed investment & production capacity for each of the 41 products that is included in the scheme. The investment can include that incurred on setting up manufacturing infrastructure (plant & equipment and associated utilities), R&D infrastructure and buildings. However, there is a cap of 20% of total investment in the case of expense for setting up buildings to house the manufacturing infrastructure. The Government has also mandated that the plant & machinery and other utilities that would be used for manufacturing the eligible products cannot be old / second hand / refurbished. It can be either purchased upfront or leased in the name of the applicant.

The Impact of PLI scheme on Indian bulk drug industry

The API/ bulk drug manufacturing in India has been struggling, despite the strong growth in formulation business. Ideally the strong formulation segment is a clear indicator of strong bulk drug demand and a positive sign for domestic API manufacturers. However, in India's case this did not happen as domestic industry could not meet the competitive pricing set by imports. The liberal import regime in API segment meant low cost manufacturing destinations like China could fully exploit the growing demand.

Chinese API industry can produce at low cost due to the subsidies and benefits provided by the Chinese Government. This subsidy cushion helps Chinese API firms to price their products at very low rate in Indian market. The economic consideration offered by low price have allured formulation makers to ditch domestic APIs in favor of imports. Indian API industry found it hard to match the import price, as the cost of production was high. Moreover, the industry did not have the subsidies and schemes to protect its bottom-line. This scenario continued and eventually domestic API industry lost out to imports, becoming just a foot note in the Indian pharmaceutical story.

Although bulk drug industry has long raised the matter, highlighting the risk of import dependency, very little was done to alleviate this risk. Although the Government unveiled a bulk drug policy, it has remained a non-starter. It took the covid pandemic to bring this issue to limelight. The covid disruptions in China during late last year and early this year led to suspension of API imports from that country. This led to a situation of severe deficit, resulting in spike in cost of various APIs used by the pharma industry, with some rising as high as 70 to 100%. This price rises seriously impacted the Indian pharmaceutical industry and threatened to disrupt the industry functioning. However, the improvement in covid scenario in China led to easing of situation as API imports resumed. Nevertheless, this short deficit and price hike scenario did raise uncomfortable questions on import dependency. The PLI launched could be construed as Government's response to those concerns.

The success of this program will depend on the response from the industry. On paper the incentive structure looks robust, however the effectiveness can only be measured once the program is implemented. The PLI scheme has a window of 120 days (from the date of notification) for applicants to apply. Approval and selection would happen only once this 120 day is over, which would be early 2021.

Scheme for Promotion of Bulk Drug Park

The Union Government in March 2020 approved a scheme titled “Promotion of Bulk Drug Parks”, which was later notified via Government Gazette on 21 July 2020. As the name implies, the objective of this scheme is creation of bulk drug parks that would help in building a sustainable bulk drug product infrastructure in the country. The scheme focuses on providing the common infrastructure facilities (CIF) - associated with bulk drug manufacturing – in a dedicated space. The scheme has a budget outlay of INR 3,000 crore meant towards setting up three such parks, in three separate states. The financial support will be in the form of grant-in-aid, with nearly 90% of the cost in the case of North East state / Hilly terrain states and up to 70% support in case of other states.

The state governments would be taking the lead in setting up parks, by setting up a State Implementation Agency (SIA). The interested state governments can apply for this scheme, and on selected will be the provided the financial support in the form of a grant-in-aid. This financial assistance will be used for setting up the bulk drug park with CIF that will include effluent treatment, solvent recovery & distillation, steam generation & distribution, laboratories, testing centers, and other supporting units. The bulk drug units that will come up in the park can utilize these CIFs. The core objective of the scheme is to reduce the manufacturing cost involved in bulk drug production, which will accrue due to the usage of CIFs, optimization of resources and economies of scale that the park provides.

The time period for the scheme is FY 2020-21 to FY 2024-25, and all three bulk drug parks should be operational by then. Half of the area of the park will be reserved for bulk drug manufacturing units. It will not be open to formulation manufacturing. The units should be manufacturing either APIs/KSMs/DI, the list of which has been given by the scheme. The scheme lists out nearly 450 APIs and 24 KSM/DI as eligible products and the units should be manufacturing these products. Currently the country is dependent on imports for these products, and the bulk drug park is aimed at reducing the import dependence.

Impact of Budget: Key policy measures and impact

The heightened investment in Health Infrastructure and comprehensive approach to health demonstrate a firm commitment to fortifying the country's healthcare systems. The budget prioritizes the expansion of healthcare education with the establishment of new AIIMS and new nursing colleges. The Union Budget further outlines efforts to enhance the healthcare workforce by promoting skill development to address the shortage of skilled professionals in the medical devices sector. The budget has a stronger focus on pharma R&D through center of excellence and collaborative research which would boost innovation in the country. These policy pushes are essential as India pharma sector aim to move up the value chain.

- Total budgetary allocation to the Ministry of Health and Family Welfare increased to ` 892 bn in FY24 (BE), compared to ` 791 bn in FY23 (RE).
- The Government’s capital outlay towards National Health Mission to remain stable at ` 290 bn in FY24 (BE).
- Allocation of ` 68 bn towards establishment of new AIIMS
- Government spending on developing healthcare infrastructure, under Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM), increased to ` 42 bn in FY24 (BE) like FY23 (BE), though an increase of 123% over FY23 (RE) due to slower implementation in FY23. This also include the outlay transferred to state Government / Union Territories towards implementation of the program.
- Budgetary allocation towards Pradhan Mantri Swasthya Suraksha Yojana decreased to ` 34 bn in FY24 (BE), compared to ` 83 bn in FY23 (RE)
- A new initiative to spur research and innovation in the pharmaceutical sector will be initiated through centers of excellence, and industry investment in targeted R&D will also be encouraged.
- Support will be provided for dedicated multidisciplinary courses in medical devices at existing institutions to secure a skilled workforce for futuristic medical technologies, advanced manufacturing, and research.
- Three centers of excellence in Artificial Intelligence will be established at premier educational institutions. Industry leaders will collaborate on interdisciplinary research, creating innovative applications and scalable solutions in the domains of agriculture, health, and sustainable cities
- 100 labs for developing applications using 5G services will be set up in engineering institutions and will cover, applications such as smart classrooms, precision farming, intelligent transport systems, and health care applications.
- 157 new nursing colleges will be established in co-location with the existing 157 medical colleges established since 2014.
- A Mission to eliminate Sickle Cell Anaemia by 2047 will be launched
- Facilities in selected ICMR Labs will be made available for research by public and private medical college faculty and private sector R&D teams for encouraging collaborative research and innovation

PLI Scheme: Current Scenario

PLI Scheme for Pharmaceutical Products

According to the Government notification, pharmaceutical companies applying for the PLI will be grouped into three segments – Group A, B & C. The grouping is based on their Global Manufacturing Revenue (GMR). Criteria for segmenting applicants into three defined groups:

- **Group A:** Applicants with GMR more than or equal of INR 5,000 Crore in FY 2020
- **Group B:** Applicants with GMR between INR 500 Crore and INR 5,000 Crore in FY 2020
- **Group C:** Applicants with GMR less than INR 500 Crore in FY 2020. This group will have a sub-group specifically for MSME applicants.

The overall incentive offered under the PLI is INR 15,000 Crore, and the incentive allocation pattern is INR 11,000 Crore for Group A, INR 2,250 Crore for Group B, and INR 1,750 Crore for Group C.

The Department of Pharmaceuticals have approved a total of 55 applicants for availing the incentive.

Group A	11 Companies (9 Domestic & 2 MNC)
Group B	9 Domestic
Group C	20 non-MSME & 15 MSME

Source: Department of Pharmaceuticals

PLI Scheme for Key Starting Materials (KSM)/ Drug Intermediates (DI) & Active Pharmaceutical Ingredients (API)

Department of Pharmaceutical have identified 41 compounds (KSM / DI / API), manufacturing of which will be eligible for PLI. These 41 compounded are classified into four segments, and a total of 50 companies has been approved to avail the incentive.

Target Segment	Description	Number of Approved Applicants
Segment A	Fermentation based KSM / Drug intermediates	4
Segment B	Fermentation based niche KSM / Drug Intermediates / API	6
Segment C	Key chemical synthesis based KSM / DI	5
Segment D	Other chemical synthesis based KSM / DI / API	35

Impact of Union Budget

- The total budgetary allocation to the Ministry of Health and Family Welfare increased by 13% to ₹876.5 bn in FY25 (BE), from ₹776.2 bn in FY24 (RE).
- The allocation for Pradhan Mantri Ayushman Bharat Health Infrastructure Mission (PMABHIM) increased by 52% to ₹32 bn in FY25 (BE), from ₹21 bn in FY24 (RE), to support health infrastructure, surveillance and health research funding needs.
- The budgetary allocation towards Pradhan Mantri Swasthya Suraksha Yojana has increased by 16% to ₹22 bn in FY25 (BE), from ₹19 bn in FY24 (RE), to address regional imbalance in healthcare services.
- The allocation for Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (PM-JAY), the government's universal health coverage scheme, has been increased by 7% to ₹73 bn in FY25 (BE), from ₹68 bn in FY24 (RE).
- The allocation towards National AIDS and STD control Programme increased by 19% to ₹28.9 bn in FY 25 (BE), from ₹24.2 bn in FY 24 (RE).
- The allocation of fund for Anganwadi Centres has been reduced to ₹212.0 bn in FY25 (BE), from ₹215.23 bn in FY24 (RE).
- The allocation to the department of pharmaceuticals has been increased to ₹40.9 bn in FY25 (BE), from ₹27 bn in FY24 (RE).
- The allocation to Production-Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of critical Key Starting Materials (KSMs)/Drug Intermediates (DIs) and Active Pharmaceutical Ingredients (APIs) in India has been increased to ₹580 mn in FY25 (BE), from ₹161 mn in FY24 (RE).

- Allocation to PLI Scheme for domestic manufacturing of medical devices has been increased to ₹850 mn in FY25 (BE), from ₹482 mn in FY24 (RE).
- The allocation for the development of pharmaceutical industry has increased to ₹13 bn in FY25 (BE), from ₹2.65 bn in FY24 (RE).
- The allocation to the Department of Pharmaceutical's PLI schemes has been increased considerably to ₹21.43 bn in FY25 (BE), from ₹16.96 bn in FY24 (RE).
- The custom duty on Laboratory Chemicals under heading 9802 increased to 150% from 10%.
- Three cancer drugs - Trastuzumab Deruxtecan, Osimertinib and Durvalumab - have been exempted from customs duty in pursuit of the fight against cancer.
- The basic custom duty on x-ray tubes and flat panel detectors used in medical x-ray machines under the Phased Manufacturing Programme has been proposed to be reduced to 5% in FY25 (BE), from 15% in FY24 (RE).
- All types of polyethylene used in manufacture of orthopaedic implants have been exempted from customs duty.
- Special-grade stainless steel, titanium alloys and cobalt-chrome alloys used in the manufacture of artificial body parts have been exempted from customs duty.
- Custom duty applicable on ammonium nitrate was raised from 7.5% in FY24 (RE) to 10% in FY25 (BE).
- The government has proposed to develop DPI applications at population-scale for productivity gains, business opportunities and innovation by the private sector.

The budgetary allocations reflect the government's prioritisation of public health. A significant surge in funding across various initiatives that focus on strengthening healthcare and related services. Moreover, targeted allocations towards specific health programmes, such as the Pradhan Mantri Swasthya Suraksha Yojana and the National AIDS and STD Control Programmes signify, the government's efforts to improve nationwide healthcare. Moreover, the government's plan to change the basic customs duty (BCD) on medical equipment will be beneficial in increasing the domestic manufacturing capacity. Further, reduction in taxes in conjunction with the financial support provided through development-related incentives and PLI schemes will go a long way in the pharmaceutical sector's growth. Overall, the Budget exhibits the government's efforts to improve India's healthcare infrastructure, prioritise preventive healthcare measures and combat life-threating diseases.

Growth Forecast

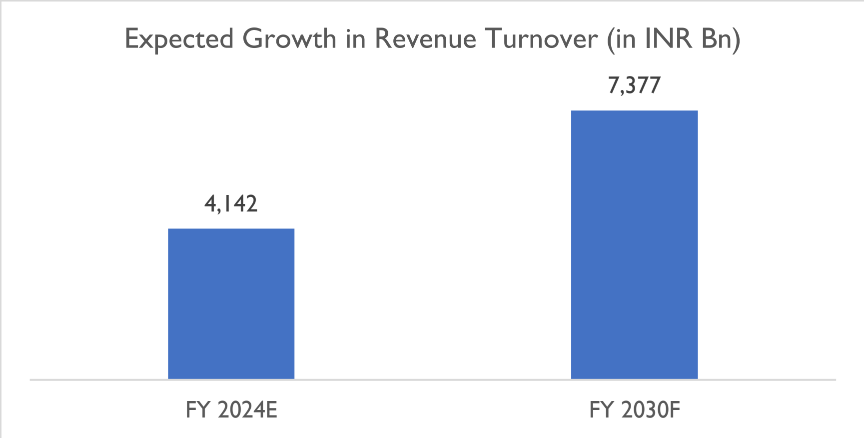
The global dominance of Indian pharmaceutical industry, primarily in generic formulation space is set to continue in the foreseeable future. The patent cliff which lifted the patent protection of numerous blockbuster drugs has been a major enabler in the growth of formulations. Indian firms have been able to capitalize on the patent cliff by the timely launch of generic versions in the US market. Although the recent spike in US FDA adverse comments on the manufacturing facilities of leading Indian pharmaceutical companies has impacted exports, the correction action by companies concerned would reverse the impact.

As the acceptance of generic drugs increases in the developed markets, particularly the US, India's position in the global generic market will continue to rise. The move in the US market towards an affordable healthcare framework, aided by supportive Government policies, will augur well for Indian companies already present in the US market. Exports, which has been the mainstay of Indian pharmaceutical space, would be instrumental in driving the future growth.

On the domestic front, the favorable demand created by increasing older population, and rise in incidences of lifestyle diseases would continue to facilitate domestic revenue growth. However, the lifestyle disease segment is largely addressed by patented drugs by innovator pharmaceutical companies, who are primarily multinational players. The presence of Indian generic pharmaceutical companies in this segment is low.

During FY 2015-22, the annual revenue turnover in Indian pharmaceutical industry grew by a CAGR of 8%, on the back of strong domestic and export demand. However, the spread of covid-19 pandemic negatively impacted the revenue growth in FY 2022, especially the growth in export revenue. Given the essential nature of the product, this moderation in growth experienced in FY 2022 is widely considered to be temporary in nature. Revenue growth in the sector is expected to normalize over the next couple of years, as export growth picks up along with continuation of strong domestic demand.

Based on this expected developments, the annual revenue turnover in pharmaceutical industry is expected to reach INR 7,300 Bn by FY 2030, growing by a CAGR of 10% during FY 2024-30.



Dun & Bradstreet Estimates and Research

Active Pharmaceutical Ingredient (API) Overview

An Active Pharmaceutical Ingredient (API) refers to the substance within a pharmaceutical product that produces the intended therapeutic effect. APIs are the core elements of a drug, acting on biological systems to achieve a desired medical outcome. For example, in a commonly used painkiller like ibuprofen, the active ingredient responsible for reducing pain and inflammation is the API—ibuprofen itself.

APIs can be produced through two primary means:

- **Chemical Synthesis:** Many APIs, especially those used in small-molecule drugs, are synthesized through chemical reactions.
- **Natural Sources:** Some APIs are derived from biological materials such as plants, animals, or microorganisms, a process that is more common in biologics, including vaccines and therapeutic proteins.

The development of APIs is integral to treating a vast array of medical conditions, from chronic diseases like diabetes and hypertension to more acute or severe illnesses such as cancer, infections, and autoimmune disorders.

The Role of APIs in Drug Manufacturing

APIs are the central components in any pharmaceutical product, and their development, synthesis, and regulation are vital to ensuring that medications work as intended. The following outlines the key roles that APIs play in drug manufacturing:

Therapeutic Effect

The primary function of an API is to deliver a therapeutic effect by interacting with specific biological targets in the body. For instance, an API may bind to receptors, enzymes, or proteins, thereby altering physiological processes and producing the desired medical outcome—whether it's reducing pain, controlling blood pressure, or fighting infection. The success of any drug hinges on the performance of its API.

Drug Formulation

APIs are rarely used alone. In most cases, they are combined with **excipients**, which are inactive substances that serve various purposes such as improving the API's stability, solubility, or absorption in the body. The formulation of the API and excipients must be carefully controlled to ensure the drug delivers the right dose consistently and safely.

- **Distribution and Bioavailability:** Formulation impacts how the API is absorbed, distributed, metabolized, and excreted from the body, collectively known as its pharmacokinetics. Effective drug formulation ensures the API reaches the target tissue at the required concentration to produce the desired effect.

- **Consistent Efficacy:** Drug manufacturers must standardize the formulation process to guarantee that each batch of the pharmaceutical product provides consistent efficacy and meets safety standards.

Quality Control

Maintaining the quality of APIs is critical for the safety and effectiveness of the final pharmaceutical product. APIs must meet stringent criteria for purity, potency, and stability before they can be included in drug formulations. **Good Manufacturing Practices (GMP)** require that APIs be free from contaminants and adhere to specific quality benchmarks throughout the manufacturing process.

- **Purity:** Impurities in APIs can affect drug efficacy and safety, making rigorous purification processes and testing essential.
- **Potency:** The concentration of the API must be tightly controlled to ensure that the correct dose is delivered.
- **Stability:** APIs must remain stable under specified conditions to maintain their effectiveness over time.

Regulatory Compliance

APIs are subject to stringent regulatory requirements, with governing bodies such as the U.S. **Food and Drug Administration (FDA)** and the **European Medicines Agency (EMA)** closely overseeing the entire production process. Manufacturers must provide extensive documentation on the API's synthesis, quality, and safety testing. Regulatory compliance ensures that APIs meet international standards for safety and efficacy before they can be included in pharmaceutical products sold to consumers.

Types of APIs

APIs are generally classified into two main categories:

Synthetic APIs

Synthetic APIs are produced through chemical synthesis. These APIs are commonly used in small-molecule drugs, which make up the majority of pharmaceutical products on the market. Synthetic APIs are typically easier to mass-produce and offer cost advantages, making them widely available in treatments for conditions such as cardiovascular diseases, infections, and neurological disorders.

- **Advantages:** Synthetic APIs tend to be more cost-effective to produce, especially for large-scale manufacturing. They are often more stable and easier to regulate for consistent quality.
- **Prevalence:** Synthetic APIs dominate the market, particularly in areas like pain management, antibiotics, and chronic disease management.

Natural APIs

Natural APIs are derived from biological sources, including plants, animals, and microorganisms. These are frequently used in the production of biologics—complex drugs such as vaccines, monoclonal antibodies, and gene therapies. While natural APIs represent a growing share of the pharmaceutical market, they are more challenging to manufacture and require more stringent handling procedures.

- **Advantages:** Natural APIs are vital for developing advanced therapeutics, especially in immunology, oncology, and gene therapy.
- **Challenges:** The production of natural APIs can be more complex and costly, as it often involves sophisticated extraction, fermentation, or biotechnology processes.

Manufacturing Process

The manufacturing process of APIs involves multiple stages to ensure that the final product is of high quality and meets regulatory standards. The key steps include:

Synthesis

The production of an API often begins with the synthesis of raw materials, which undergo a series of chemical reactions to form intermediates. These intermediates are further processed to create the final active ingredient. The synthesis process is highly controlled, with precise parameters to ensure consistency.

Purification

Once synthesized, the API is purified to remove impurities that could affect the efficacy or safety of the drug. Purification methods may involve filtration, crystallization, or chromatography, depending on the specific requirements of the API.

Quality Assurance

After production, the API undergoes rigorous testing to confirm it meets the necessary quality standards. This includes testing for purity, stability, and potency. The API must also be free from contaminants or degradation products that could compromise its safety.

Global Trends and Challenges

The API market is subject to several global trends and challenges that influence its development and production:

Outsourcing

In a bid to reduce costs and focus on core competencies, many pharmaceutical companies outsource the production of APIs to **Contract Manufacturing Organizations (CMOs)**. These organizations specialize in API manufacturing and offer the expertise, technology, and scalability needed to meet demand. Outsourcing allows pharmaceutical companies to save on infrastructure and operational costs.

Emerging Markets

Countries such as **India** and **China** have emerged as significant players in API manufacturing, offering cost advantages due to their lower labor and production costs. India, in particular, is known as the "pharmacy of the world," supplying a large proportion of generic drugs and APIs globally. However, the increasing reliance on imports from these countries has led to concerns about **supply chain vulnerabilities**, which became evident during the COVID-19 pandemic.

Innovation

As the pharmaceutical industry evolves, the demand for **biologics** and **advanced therapies** continues to grow. This shift is driving innovation in API production methods, with companies investing in new technologies such as **biotechnology**, **continuous manufacturing**, and **green chemistry** to produce APIs more efficiently and sustainably.

Indian API Scenario

The Indian pharmaceutical industry has witnessed steady growth over the years, contributing approximately 1.72% to the nation's GDP. With an estimated value of INR 4,142 billion in FY 2024, the industry is projected to reach INR 7,377 billion by FY 2030. This expansion is fuelled by increasing demand for affordable, high-quality medicines, both within India and internationally. In 2023, India ranks third in the world by pharmaceutical production volume and 14th by value. Indian pharmaceutical exports have seen a 103% growth from INR 90,415 crores in 2013-14 to INR 1,83,422 crores in 2021-22, reinforcing its reputation as the “Pharmacy of the World” by supplying 20% of global demand for generic drugs.

Active Pharmaceutical Ingredients (API), a crucial component of the pharmaceutical industry, account for approximately 35% of the market. APIs, the biologically active components in drugs, are key to their therapeutic effects. India is the third-largest producer of APIs globally, with an 8% market share and over 500 types of APIs produced. Despite its strong position, the Indian API market remains highly dependent on China for raw materials, with imports fulfilling 70% of the nation's needs. However, India's API market is expected to grow at a rapid CAGR of 13.7%, positioning itself to gain a larger share in the global pharmaceutical supply chain.4F[5]

India holds the distinction of having the highest number of United States Food and Drug Administration (USFDA) compliant pharmaceutical plants outside of the United States. The country is home to 500 API manufacturers, contributing approximately 8% to the global API industry. As the world's largest supplier of generic medicines, India accounts for 20% of the global supply, producing around 60,000 generic brands across 60 therapeutic categories.5F[6]

The Indian government has introduced several initiatives to reduce dependency on imports and bolster domestic API production. In 2020, the Production Linked Incentive (PLI) scheme was introduced with a budget of INR 6,940 crore to promote the production of Key Starting Materials (KSMs), Drug Intermediaries (DIs), and APIs. Additionally, the "Promotion of Bulk Drug Parks" scheme, with a budget of INR 3,000 crore, is aimed at developing bulk drug parks in states like Himachal Pradesh, Gujarat, and Andhra Pradesh. These initiatives, along with 100% FDI in pharmaceutical projects and a focus on intellectual property protection, aim to strengthen India's global competitiveness in the API market. 6F[7]

While India has made strides in reducing its API import dependency, challenges remain, including competition from Chinese manufacturers, stringent environmental regulations, and volatile pricing. Nevertheless, with strong government support, ongoing investments, and rising global demand for contract manufacturing, the outlook for India's API sector is positive. The industry is expected to grow at a CAGR of 7-8% by 2029, positioning India as a key player in the global pharmaceutical supply chain, provided it can overcome existing structural and regulatory challenges.

"China+1" strategy

The "China+1" strategy has emerged as a significant trend in the global pharmaceutical industry, driven by concerns over geopolitical risks, supply chain disruptions, and intellectual property theft associated with relying solely on China for API manufacturing. This strategy involves diversifying API sourcing away from China to reduce dependence and mitigate potential risks.

Several global pharmaceutical companies have adopted the "China+1" strategy, seeking alternative locations for API manufacturing. India, with its robust pharmaceutical industry, has emerged as a preferred destination for many companies. India's competitive cost structure, skilled workforce, and strong regulatory framework make it an attractive option for API manufacturing.

The shift towards India as part of the "China+1" strategy is expected to accelerate in the coming years. Several factors are driving this trend, including:

- ***Geopolitical risks:*** Increasing tensions between the United States and China have heightened concerns about the security of supply chains reliant on China. India, with its strong political and economic ties with the United States, is seen as a safer alternative.
- ***Supply chain disruptions:*** The COVID-19 pandemic highlighted the vulnerabilities of global supply chains, particularly those heavily reliant on China. India's ability to maintain production during the pandemic has reinforced its position as a reliable source of APIs.
- ***Intellectual property theft:*** Concerns about intellectual property theft in China have prompted many pharmaceutical companies to seek alternative manufacturing locations. India's strong intellectual property protection laws offer a more secure environment for innovation.
- ***Government support:*** The Indian government has implemented various initiatives to promote the growth of the pharmaceutical industry, including incentives for API manufacturing. These measures are expected to further attract global companies to India.

[5] Invest India
[6] Ministry of Pharmaceutical Annual Report FY 2024
[7] Invest India

As the "China+1" strategy gains momentum, India is well-positioned to benefit from the increased demand for API manufacturing. The country's strong pharmaceutical industry, coupled with its competitive advantages, make it an attractive destination for global companies seeking to diversify their supply chains.

Regulatory Landscape

The regulatory landscape of the Active Pharmaceutical Ingredients (API) industry in India is governed by multiple agencies and policies aimed at ensuring the quality, safety, and efficacy of pharmaceutical products while fostering growth in the sector. The primary regulatory bodies overseeing the API industry include the Central Drugs Standard Control Organization (CDSCO), the Ministry of Health and Family Welfare, and the Drug Controller General of India (DCGI). These agencies enforce stringent compliance with local and international standards for manufacturing, testing, and distribution of APIs.

Key Regulations and Guidelines:

Drugs and Cosmetics Act, 1940, and Rules, 1945:

- This act is the principal legislation governing the pharmaceutical industry, including API manufacturing in India. It regulates the import, manufacture, distribution, and sale of drugs and APIs. The Act ensures that APIs meet quality standards, including those related to labeling, packaging, and licensing of manufacturers.

Good Manufacturing Practices (GMP):

- Compliance with GMP guidelines, as outlined in Schedule M of the Drugs and Cosmetics Rules, is mandatory for API manufacturers. GMP regulations focus on maintaining product quality and safety through proper manufacturing practices, equipment, premises, and staff training. International bodies such as the World Health Organization (WHO) and the International Conference on Harmonisation (ICH) guidelines also influence GMP standards in India.

Regulation on Imports:

- India relies heavily on imports for Key Starting Materials (KSMs) and Drug Intermediates (DIs) for API manufacturing, especially from China. The Directorate General of Foreign Trade (DGFT) and the CDSCO regulate the import of these materials, ensuring that the imported APIs and intermediates meet quality standards before use in pharmaceutical production.

Environmental and Compliance Regulations:

- API manufacturing is subject to stringent environmental regulations due to the chemical-intensive nature of the processes involved. The Ministry of Environment, Forest and Climate Change (MoEF&CC) monitors environmental compliance related to emissions, waste management, and the handling of hazardous chemicals. Manufacturers must adhere to guidelines from the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) to minimize environmental impact.

Export Standards:

- Indian API manufacturers must comply with international regulatory standards for exports, including certifications from the U.S. Food and Drug Administration (USFDA), European Medicines Agency (EMA), and Japan’s Pharmaceuticals and Medical Devices Agency (PMDA). Indian APIs often undergo audits and inspections by these international regulatory bodies to ensure compliance with global quality standards.

USFDA Compliance:

The United States Food and Drug Administration (USFDA) plays a critical role in regulating the global Active Pharmaceutical Ingredients (API) industry, ensuring that APIs meet stringent quality, safety, and efficacy standards. India holds a significant position in the global API market, with over 500 API manufacturers contributing approximately 8% to the global API supply. Notably, India has the highest number of USFDA-compliant pharmaceutical manufacturing plants outside the United States, underlining the country's commitment to adhering to international regulatory standards.

Compliance with USFDA regulations is essential for Indian API manufacturers seeking to export to the United States, as these guidelines govern the quality of APIs used in drug formulations. The USFDA conducts regular inspections of manufacturing plants to ensure adherence to Good Manufacturing Practices (GMP), which encompass quality control, production processes, and facility standards. India's compliance with these standards is a key factor in maintaining its global competitiveness and expanding its footprint in regulated markets such as the U.S.

Given India's dominance in the production of generic medicines, the country's ability to consistently meet USFDA requirements further reinforces its role as a key supplier to the global pharmaceutical industry. Indian API manufacturers must continually focus on maintaining USFDA approvals and investing in quality control to sustain their position in the global market.

Government Support and Incentives:

Production Linked Incentive (PLI) Scheme:

- To reduce import dependency, especially from China, the government launched the PLI scheme with an outlay of INR 6,940 crore. This initiative aims to incentivize domestic manufacturing of APIs, DIs, and KSMs by offering financial support and subsidies to manufacturers meeting specific production targets.

Bulk Drug Parks:

- The government has announced the creation of three bulk drug parks in states like Gujarat, Himachal Pradesh, and Andhra Pradesh. These parks are expected to provide world-class infrastructure, including common utilities and waste management systems, to help manufacturers reduce costs and increase the global competitiveness of India's API industry.

FDI Policy:

- The government allows 100% Foreign Direct Investment (FDI) in Greenfield pharmaceutical projects and up to 74% in Brownfield projects under the automatic route. This policy aims to attract foreign investment, encourage technology transfer, and improve the domestic production capacity of APIs.

Challenges in the Regulatory Landscape:

Complex Approval Processes:

- The approval process for manufacturing new APIs can be lengthy, involving multiple agencies and stringent documentation requirements. Delays in environmental clearances and complex licensing procedures often hamper the ability of manufacturers to scale up production quickly.

Compliance with International Standards:

- As India strengthens its position in the global API market, manufacturers face challenges in meeting the evolving regulatory standards of different countries. The frequent audits by international regulators such as the USFDA or EMA require robust quality control mechanisms, which add to operational costs.

Pricing Regulations:

- APIs are also subject to pricing regulations by the National Pharmaceutical Pricing Authority (NPPA), especially for essential medicines listed in the National List of Essential Medicines (NLEM). While this ensures affordable medicine prices domestically, it may limit the profitability of API manufacturers.

In conclusion, the regulatory environment of India's API industry is comprehensive, aiming to balance safety, quality, and economic growth. However, the industry's success will depend on continuous improvements in regulatory processes, enhanced infrastructure, and consistent adherence to both domestic and international standards.

Threats & Challenges

Dependence on imports for raw material needs

Although India has made rapid strides in formulation manufacturing, becoming the formulation production hub in the world, the domestic production of Key starting material (KSM) and other input materials required by the pharma industry is low. India has a large dependence on imports to source the key raw materials required for manufacturing API, with bulk of this imports coming from countries like China. The over dependence on imports is a key threat, as any disruption could impact the production. The Covid-19 pandemic that disrupted the global trade flow had a significant impact on the Indian pharma industry, as there was a dearth of raw material availability.

Tight Quality Control

Pharmaceutical industry (including manufacturing of formulations and Active Pharmaceutical Ingredients) maintains high quality standards, and firms have to abide by the quality regulations and manufacturing practices outlined by global regulatory agencies like US FDA. In order to be eligible to export to some of the leading pharmaceutical markets in the world, the production units should be certified by agencies like US FDA. Both formulation & API manufacturers thus has to ensure that the proper quality standards and manufacturing processes are followed. Any compliance lapse would invite stringent penalties, including suspension of exports. Indian pharmaceutical firms of late has seen an increase in warning letters from US FDA, with respect to quality standards.

Threat from Imports

Indian API industry faces stiff competition from imported API, mainly coming from low-cost destinations like China. It is estimated that more than 70 – 75% of the API requirements of Indian pharmaceutical industry is met by imports. Domestic manufacturers has been struggling to match up to the competition posed by imports. However, the recent initiatives by the Indian Government to reduce the over reliance on imports is slowly improving this situation. The Government have announced & implemented several policies in the past few years to improve the domestic API manufacturing scenario. Although the full impact is yet to be felt, these initiatives are improving the operating environment and eventually is expected to develop the domestic API production landscape. However, till that happens, imports would play a key role and they would continue to pose strong threats to domestic industry.

Competitive Scenario

Indian pharmaceutical industry is known as the generic drug manufacturing hub in the world. More than 10,000 generic drug manufacturers operate in the country, manufacturing anything from over-the-counter products to prescription drugs. Despite this fragmented nature of the industry, nearly half of the industry revenue is contributed by to 25 to 30 companies.

All the major pharmaceutical companies have considerable exposure to export market, particularly the US market. Presence of the largest base of US FDA approved manufacturers (outside of the US) as well as approvals from regulatory agencies like MHRA-UK, TGA-Australia, MCC-South Africa, among others.

The generic drug industry in India is dominated by home grown Companies like Sun Pharmaceuticals, Dr. Reddy's Laboratories, Lupin, Cadila Pharmaceuticals, Cipla, IPCA, Aurobindo, and Natco Pharmaceuticals, to name just a few.

However, the strength of Indian pharmaceutical companies in drug development is limited. The market for patented drugs for critical illnesses is dominated by multinational innovator pharmaceutical companies. High capital investment involved in developing an innovator compound has created a strong entry barrier in this sector. After the transition in patent regime, several large pharmaceutical companies have started to focus on drug development, but they are yet to make considerable progress in this area.

All major global innovator pharmaceutical companies, including Gilead Sciences, Bayer, AstraZeneca, GlaxoSmithKline, Merck, and Sanofi are present in India. These companies have established a dominant position in the lucrative lifestyle disease segment, where most of the drugs are under patent protection.

Barrier to entry

The competitive landscape for API manufacturing in India is characterized by a mix of established players and emerging companies. The entry barriers for new players in this sector are relatively high due to several factors.

One of the significant entry barriers for new players in the Indian API market is the high capital requirements. The establishment of API manufacturing facilities requires substantial investments in infrastructure, equipment, and technology. Additionally, obtaining regulatory approvals and certifications is a complex and time-consuming process, further increasing the initial costs of entry.

Another entry barrier is the need for technical expertise and specialized knowledge in API manufacturing. The production of APIs involves intricate processes and strict quality control measures, requiring a skilled workforce with deep understanding of the industry. Attracting and retaining qualified personnel can be challenging, especially for new entrants.

Furthermore, the Indian API market is highly competitive, with established players benefiting from economies of scale, established distribution networks, and strong relationships with customers. New entrants may face difficulties in competing with these established players, particularly in terms of pricing and market share.

Key Players Profiling

Aarti Drugs Limited

Aarti Drugs Limited is an Indian pharmaceutical company with a strong focus on the manufacturing and marketing of APIs (Active Pharmaceutical Ingredients) and intermediates. Established in 1984, the company has grown to become a global player in the pharmaceutical industry, serving customers in over 60 countries.
Aarti Drugs offers a wide range of APIs and intermediates for various therapeutic areas, including anti-infectives, cardiovascular, anti-inflammatory, and others. The company's product portfolio includes both generic and specialty APIs, catering to the diverse needs of the pharmaceutical industry. Aarti Drugs is committed to providing high-quality products that meet stringent international standards, ensuring the safety and efficacy of the final formulations.

In addition to its manufacturing capabilities, Aarti Drugs also provides contract research and development services. The company's R&D team works closely with clients to develop new APIs and improve existing products.

Orchid Pharma Limited

Orchid Pharma Limited is a multinational pharmaceutical company headquartered in India. With a strong global presence, Orchid Pharma is engaged in the research, development, manufacturing, and marketing of a wide range of pharmaceutical products.

The company's product portfolio includes a diverse range of formulations, including tablets, capsules, injectables, and topical preparations. Orchid Pharma focuses on therapeutic areas such as anti-infectives, cardiovascular, anti-inflammatory, and others. The company is committed to providing innovative and affordable healthcare solutions to patients worldwide.

Orchid Pharma has a strong research and development infrastructure, enabling it to develop new products and improve existing ones. The company's manufacturing facilities are equipped with state-of-the-art technology, ensuring the production of high-quality pharmaceutical products.

Granules India Limited

Granules India Limited is an Indian pharmaceutical company with a strong focus on the manufacturing and marketing of APIs (Active Pharmaceutical Ingredients) and intermediates. Established in 1991, the company has grown to become a global player in the pharmaceutical industry, serving customers in over 100 countries.

Granules India offers a wide range of APIs and intermediates for various therapeutic areas, including anti-infectives, cardiovascular, anti-inflammatory, and others. The company's product portfolio includes both generic and specialty APIs, catering to the diverse needs of the pharmaceutical industry. Granules India is committed to providing high-quality products that meet stringent international standards, ensuring the safety and efficacy of the final formulations.

In addition to its manufacturing capabilities, Granules India also provides contract research and development services. The company's R&D team works closely with clients to develop new APIs and improve existing products.

Financial Analysis

Year	Raw Material Cost	Power & Fuel	Salaries & Wages	SGA Expenses	Interest Expense	PBDIT Margin	Net Margin
FY 2019	45.9%	4.1%	11.3%	5.1%	2.9%	18.4%	7.3%
FY 2020	45.9%	3.8%	11.3%	4.9%	2.7%	21.2%	9.5%
FY 2021	44.7%	3.5%	10.2%	5.0%	1.9%	17.3%	6.3%
FY 2022	49.0%	3.8%	10.1%	5.0%	1.5%	20.6%	11.3%
FY 2023	49.0%	4.5%	11.2%	5.1%	2.1%	15.1%	6.1%

Source: CMIE Prowess IQ, Dun & Bradstreet Research, Based on a Sample of 28 API Manufacturing Companies

Consolidated net sales of the sample companies displayed a healthy CAGR of 10.03% between FY 2019 - FY 2023. FY 2022 showed a significant annual increase of 18%, mainly stemming from price growth and new product launches, with FY 2023 furthering the growth by 2%.

Raw material expenses, accounting 44% - 49% between FY 2019 – FY 2023, form a major part of sales. The rise in percentage share as a share of net sales rises from price increases observed in APIs. According to various sources, the pharmaceutical industry experienced a significant rise of over 100 percent in the prices of crucial raw materials, known as active pharmaceutical ingredients, from levels before the pandemic. This substantial increase is linked to higher costs of essential components, materials, and solvents used in the production of these drugs.

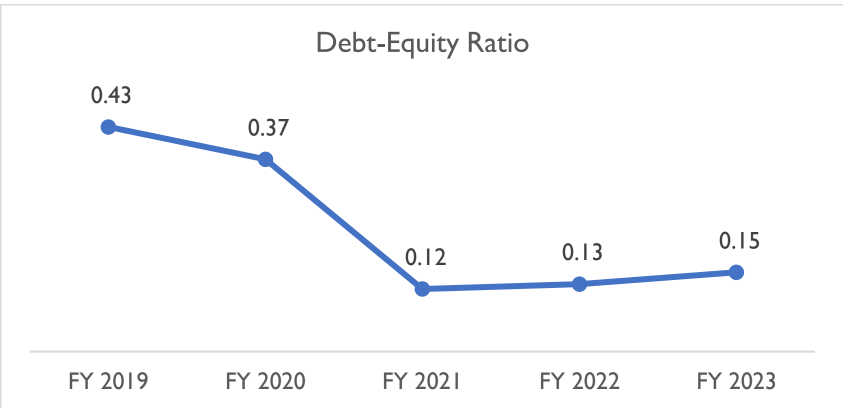
The disruption in the supply chain resulting from the Russia-Ukraine war also contributed to the price surge due to increased freight costs. Additionally, the notable inflation in 2022 and 2023 played a role, and the control of imports by a few agents resulted in a form of cartelization, leading to a drastic price hike.

With increasing sales, Salary and Wages and SGA Expenses have been seen to maintain their share of sales since 2019, standing at nearly 11.2% and 5.1% respectively. Over FY 2022, Power & Fuel, Salary & Wages, and Interest Expenses have all been seen to increase their shares in FY 2023.

The profitability in the pharma industry declined in FY 2023. In the given sample companies, shares of operating profit and net profit have both been seen to decline. This can be attributed to rise across costs in the sample companies. Mainly, interest expenses saw an increase of nearly 41% in FY 2023. This increase in costs across has led to a decline in profitability.

Ratio Analysis

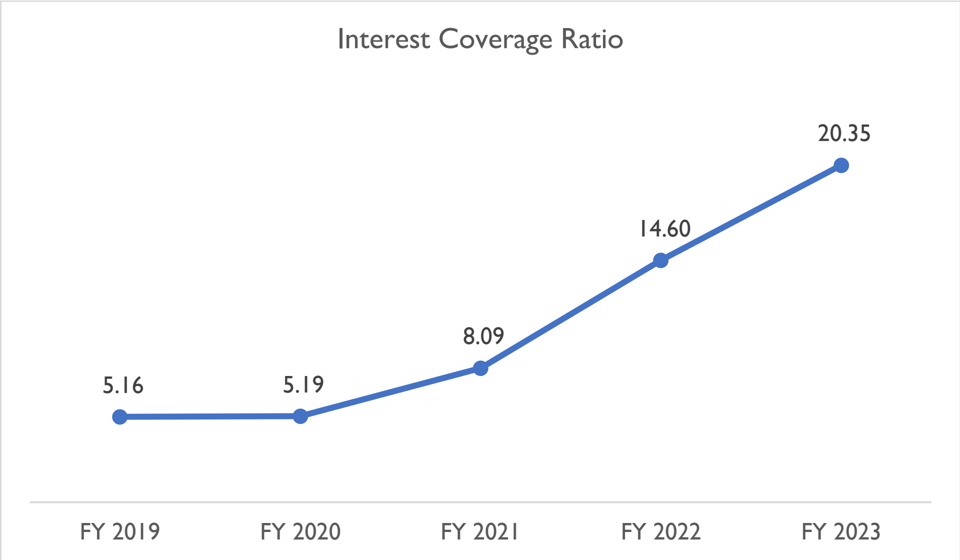
Debt Equity Ratio

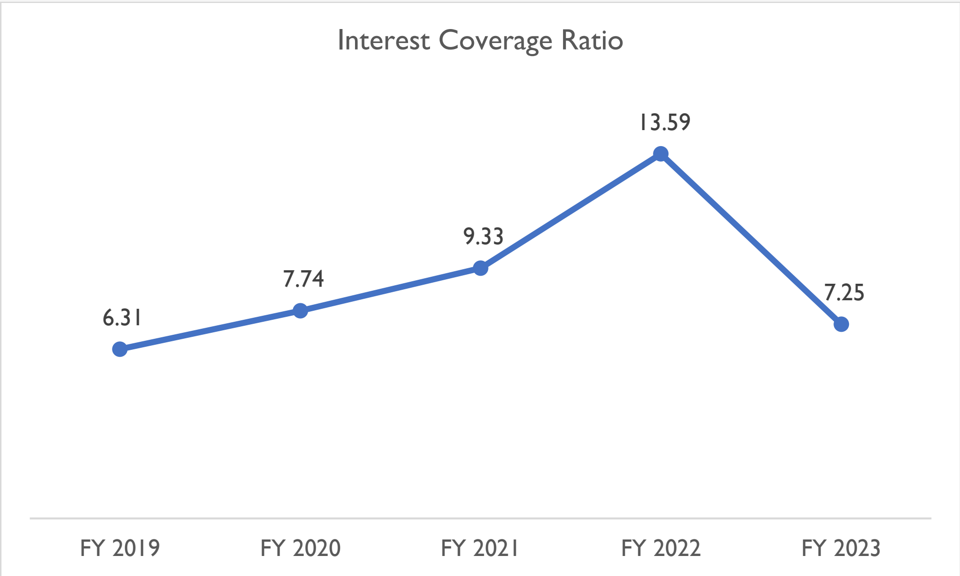


Source: CMIE Prowess IQ, Dun & Bradstreet Research, Based on a Sample of 28 API Manufacturing Companies

Consolidated debt equity ratio of sample pharma companies has exhibited an increase in the ratio from the level of 0.12 times to 0.15 times over the last year. However, in comparison to FY 2019, the ratio has significant improved from 0.43 times in FY 2019 to 0.15 times in FY 2023 where the consolidated debt increased by approximately 35% on y-o-y basis while net worth grew by roughly 15%. In the last five-years, consolidated borrowing for expansion has decreased at a CAGR of -4.69% as compared to a positive 23.66% CAGR exhibited by networth, which has resulted in this positive change in ratio.

Interest Coverage Ratio





Source: CMIE Prowess IQ, Dun & Bradstreet Research, Based on a Sample of 28 API Manufacturing Companies

Interest coverage ratio (ICR) of the sample companies exhibited improvement over the period FY 2019-23 from the level of 6.13 times to 7.25 times on account of relatively higher rate of growth in operating profits (4.73% CAGR) than interest expense (1.19% CAGR). During FY 2022, substantial rise in net sales by nearly 18% translated in improved ICR, while an increase of approximately 41% in interest expenses observed in FY 2023 led to the fall in ratio from 13.59 times in FY 2022 to 7.25 times in FY 2023.

Key Ratio

Ratios	Average Value
Gross Margin	37.8%
Net Margin	8.0%
Current Ratio	2.25
Quick Ratio	1.65
Account Receivables Days	89
Inventory Days	85
Account Payable Days	76
RONW	9.4%
ROA	7.4%
ROCE	14.8%
Long Debt-Equity	0.14
Networth to Total Liabilities	56.5%
Interest Coverage Ratio	9.71
Fixed Asset Turnover	2.84
Asset Turnover	0.93
WC Turnover Ratio	3.11
Inventory Turnover	5.20
Fixed Assets to Networth	0.42
Sales to Capital Employed	0.84

Source: CMIE, Dun & Bradstreet Research, based on a Sample of 28 API Manufacturing Companies
Average of FY 2021, 22 & 23 values

Company Profile- Anlon Healthcare Limited

Anlon Healthcare Limited

Company Profile:

Incorporated in 2013, Anlon Healthcare Limited, headquarter in Gujarat, is a chemical manufacturing company, specialized in manufacturing of high purity advance pharmaceutical intermediates and Active Pharmaceutical Ingredients which serves as raw material for API in pharmaceutical formulations, as nutritional ingredients in nutraceuticals formulations, as ingredients in personal care products, and as ingredients in animal health products. The company has expanded its operations in 15 countries including Italy, Germany, South Korea, China, Japan, Brazil, Argentina, Mexico, Egypt, Turkey, UK, UAE, and others.

The Company is one of the few manufacturers of Loxoprofen Sodium Dihydrate, which is a notable API that is widely used in treatment of pain /inflammation association with conditions including rheumatoid arthritis, osteoarthritis, lower back pain, frozen shoulder, neck-shoulder-arm syndrome, tooth pain or after surgery, injury or tooth extraction

Products Offering:

Pharmaceutical Intermediates: It includes Loxoprofen Acid, N-methyl Desloratadine, Ketoprofen Ethyl Ester (KEE), 2-Phenylpropanoic acid (2-PPA), Methyl-2-oxocyclopentanecarboxylate (MCP), Ethyl 1H-tetrazole-5-carboxylate (1H-tetrazole) and others.

Active Pharmaceutical Ingredients (API): It includes Loxoprofen Sodium Dihydrate, Ketoprofen, Dexketoprofen trometamol, Ketoprofen Lysinate, Loxapine Succinate, Desloratadine, Loratadine and others.

Nutraceutical API: It includes L-Arginine, L-Carnitine L-Tartrate, L-Glutamine, Histidine hydrochloride Monohydrate, Cysteine Hydrochloride, N-Acetyl L-Cysteine, Taurine, and others.

Personal Care: It includes Piroctone olamine, Sodium sarcosine 40%, and Ethyl 2-Phenylpropionate.

Veterinary API: It includes Ketoprofen and Tolfenamic Acid.

Custom Chemical Manufacturing: Anlon Healthcare provides custom manufacturing services for complex or novel chemical compounds, tailoring the manufacturing process to meet specific customer requirements, including producing chemicals with purity levels that exceed industry standards. The company's deep domain knowledge and expertise enable them to reduce existing impurities and employ appropriate processes to achieve the desired level of purity.

Strategies

Expand Product Portfolio: The company continue to expand offerings in current business segments as well as diversify into new products.

Improve cost management and operational efficiencies: Enhance profitability by continuing to improve cost management and operational efficiencies.

Health and safety: The company endeavour to continuously maintain a safe workplace environment for employees, contractors, visitors, and local community and promote healthy & wellbeing.

Strengths

Product Portfolio: They have expertise in manufacturing of Pharmaceutical Intermediate and APIs.

Strong Customer Base and Relationship: They provide quality of products and customer centric approach by offering products meeting the customers' specifications.

In-house testing QA / QC for quality control: They have QC / QA and four laboratories for testing the raw materials employed in the manufacturing process.
Experience: The Promoters and management team, experience in the industry suggests a strong foundation for the company's growth.

Key Performance Indicators[8]

Companies	CMP*	EPS (Basic) (₹)	EPS (Diluted) (₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Total Income (₹ in Lakhs)
Anlon Healthcare limited	[●]	6.68	6.68	[●]	45.92	13.14	10.00	6,669.19
Listed peers								
Kronox Lab Sciences Limited	155.25	5.81	5.81	26.72	32.51	17.87	10.00	9,144.03
AMI Organics Limited	2205.00	11.91	11.91	185.14	6.47	183.05	10.00	70,136.87

[8] D&B has included the KPI indicators as provided by the Company

Companies	CMP*	EPS (Basic) (₹)	EPS (Diluted) (₹)	PE Ratio	RONW (%)	NAV (Per Share)	Face Value	Total Income (₹ in Lakhs)
Supriya Lifescience Limited	643.70	14.80	14.80	43.49	14.61	101.31	2.00	58,100.50

* Current Market Price as on February 17, 2025

For FY 2024

(All values in INR lakhs)

No	Key Performance Indicators	Anlon Healthcare Limited	Kronox Lab Sciences Limited	Ami Organics Limited	Supriya Lifescience Limited
1.	Total Income	6,669.19	9,144.03	70,136.87	58,100.50
2.	Current Ratio	2.01	6.07	1.76	5.17
3.	Debt Equity Ratio	3.55	-	0.30	0.01
4.	EBDITA	1,556.94	2,304.59	8,969.73	18,361.11
5.	Operating EBDITA Margin	23.35	25.20	12.79	31.60
6.	Net Profit	965.71	2,155.42	4,368.49	11,911.41
7.	Net profit Margin (in %)	14.50	23.57%	6.34	20.50
8.	Return on Equity	0.98	0.65	0.07	0.15
9.	Return on Capital Employed(in %)	16.29	42.00	5.54	14.61

Source: Annual Reports of the respective companies / www.bseindia.com and www.nseindia.com

Notes:

(i) Total income includes revenue from operation and other income

(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) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity.

(l) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.

(m) EBITDA margin is calculated as EBITDA as a percentage of total income.

(n) Net Profit for the year represents the restated profits of our Company after deducting all expenses.

(o) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.

Return on Equity is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by net worth of the Company at the end of year.

(p) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous financial year).

Annexure

Names of 28 API manufacturing companies whose financials are considered in the financial analysis table.

A N G Lifesciences India Ltd.
Aculife Healthcare Pvt. Ltd.
Adcock Ingram Ltd.
Akums Lifesciences Ltd.
Alivira Animal Health Ltd.
Amrutanjan Health Care Ltd.
Arjuna Natural Pvt. Ltd.
Bharat Parenterals Ltd.
Embio Ltd.
Everest Organics Ltd.
Fermenta Biotech Ltd.
Hester Biosciences Ltd.
Kopran Ltd.
Mangalam Drugs & Organics Ltd.
Medispray Laboratories Pvt. Ltd.

Medplus Health Services Ltd.
Nestor Pharmaceuticals Ltd.
S M S Lifesciences India Ltd.
Samrat Pharmachem Ltd.
Sentiss Pharma Pvt. Ltd.
Sequent Scientific Ltd.
Supriya Lifescience Ltd.
Themis Medicare Ltd.
Theon Pharmaceuticals Ltd.
Vineet Laboratories Ltd.
Vivek Pharma-Chem(India) Ltd.
Wanbury Ltd.
Z C L Chemicals Ltd.

OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 23 for a discussion of the risks and uncertainties related to those statements and also "**Risk Factors**", "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 32, 242 and 283 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months period ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statement included in this Draft Red Herring Prospectus. For further information, see "**Restated Financial Statement**" on page 242. Additionally, see "**Definitions and Abbreviations**" on page 1 for certain terms used in this section. Unless the context otherwise requires, in this section, references to "**we**", "**us**" and "**our**" "**our Company**" or "**the Company**" refer to Anlon Healthcare Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Pharmaceutical Sector" dated October 7, 2024 and amended on February 20, 2025 prepared and issued by Dun & Bradstreet ("**D&B**"), appointed by us on September 12, 2024, and exclusively commissioned and paid for by us in connection with the Offer ("**D&B Report**"). D&B is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.anlon.in until the Bid/Issue Closing Date. For more information, see **"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks"** on page 58.*

Overview

We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; and (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our products spans across the family of pharmaceutical intermediates, active pharmaceutical ingredients, nutraceutical APIs and ingredients for personal care and veterinary API. Our active pharmaceutical ingredient products are manufactured in accordance with Indian and international pharmacopeia standards such as IP, BP, EP, JP, USP.

We are one of the few manufacturers of loxoprofen sodium dihydrate in India, which is a notable API widely used in treatment of pain/inflammation association with conditions including rheumatoid arthritis, osteoarthritis, lower back pain, frozen shoulder, neck-shoulder-arm syndrome, tooth pain or after surgery, injury or tooth extraction (*Source: D&B Report*).

In addition to the manufacturing of Pharma Intermediate and APIs in accordance with various domestic and international standards, we have recently started undertaking custom manufacturing services for complex or novel chemical compounds, tailoring the manufacturing process to meet specific customer requirements, including producing chemicals with purity levels that exceed industry standards. Our domain knowledge and expertise enables us to reduce existing impurities and employ appropriate processes to achieve the desired level of purity (source: D&B *Report*).

We also undertake API development, preparation and filing of Drug Master File ("**DMF**") in the Indian and global markets as per the pharmacopeia requirements of our customers and regulatory agencies. As on date, we have received approval for Drug Master File from (i) Brazilian Health Regulatory Agency ("**ANVISA, Brazil**") for our API product namely, loxoprofen sodium dihydrate; (ii) National Medical Products Administration, China ("**NMPA, China**") for our API product namely, loxoprofen sodium dihydrate; (iii) Pharmaceuticals and Medical Devices Agency, Japan ("**PMDA, Japan**") for our API product namely, loxoprofen sodium dihydrate and loxoprofen acid. Further, as on date, we have filed twenty-one (21) DMF with regulatory authorities of European Union, Russia, Japan, South Korea, Iran, Jordan, Pakistan amongst other and we are in process of filing DMF for approval of Ketoprofen with regulatory authority of USA and Dexketoprofen Trometamol with regulatory authority of Spain, Italy, Germany, Slovenia.

As on the date of this Draft Red Herring Prospectus, our product portfolio consists of sixty-five (65) commercialised products and twenty-eight (28) products which are at pilot stage and forty-nine (49) products which are at laboratory testing stage/ laboratory scale stage. The table below sets forth details of our products and their development stage.

No.	Product Category	Development Stage	No. of Product
1	Pharma Intermediate	Laboratory testing stage	37
		Pilot stage	18
		Commercialized	22
2	APIs	Laboratory testing stage	12
		Pilot stage	10
		Commercialized	18
3	Nutraceutical API	Laboratory testing stage	-
		Pilot stage	-
		Commercialized	20
4	Personal Care Intermediates	Laboratory testing stage	-
		Pilot Stage	-
		Commercialized	3
5	Veterinary API products	Laboratory testing stage	-
		Pilot stage	-
		Commercialized	2
Total Products			**142**

Note: Laboratory scale stage or Laboratory testing stage means the initial stage where we endeavour to develop Pharma Intermediate or API by carrying our production in small scale to carry out testing and evaluation for its efficiency whereas the pilot stage means the second stage where the production is increased from laboratory-scale for ensuring the success, effectiveness and safety.

The table below sets forth details of our products which are as on date being manufactured on commercial scale:

Product Family	Name of Product	No. of Product
Pharmaceutical Intermediates	• 3-(1-cyanoethyl) benzoic acid (CEBA) • 2-(3-benzoy|phenyl) propanenitrile (Ketonitrile) • ketoprofen ethyl ester (KEE) • Dex-Ketoprofen • 2-Phenylpropanoic acid (2-PPA) • 2-(4-bromomethyl)phenyl) propionic acid (BMPPA) • Methyl-2-oxocyclopentanecarboxylate (MCP) • Loxoprofen Acid • N-methyl desloratadine • 2-chlorodibezo[b,f][1,4]oxazepane-11(1)H)-one • 4-Phenyl-1-butanol • 4-(4-phenylbutoxy)benzoic acid • Ethyl 1H-tetrazole-5-carboxylate (1H-tetrazole) • N-(3-acetyl-2-hydroxyphenyl)-4-(4-phenylbutoxy)benzamide (Benzamide)	22

Product Family	Name of Product	No. of Product
	• 2-[4-[4-[4-(hydroxydiphenylmethyl)-1-piperidinyl]-1-oxobutyl]phenyl]-2,2-dimethylacetic acid methyl ester (FEX-10) • Benzene acetic acid, 4-[1-hydroxy-4-[4-hydroxydiphenylmethyl)-1-piperidinyl] butyl], α, α – Dimethyl (FEX-12) • (R)-2-(2-hydroxy-3-((4-(3-omorpholino) phenyl)amino)propyl)isoindoline-1,3-dione • (S)-2-((2-oxo-3-4-13-oxomorpholino)phenyl) oxazolidin-5-yl)methyl)isoindoline-1,3-dione • (S)-4-(4-(5-(Aminomethyl)-2-oxooxazolidin-3-yl)phenyl) morpholin-3-one hydrochloride • 2-((2-methoxyphenoxy)methyl oxirane (GGE) • R-(+)-1-(1-Naphthyl)ethylamine • Diethyl 2-(ethoxymethylene)malonate (EMME)	
Active Pharmaceutical Ingredients (API)	• Ketoprofen • Dexketoprofen trometamol • Ketoprofen lysinate • Loxoprofen sodium dihydrate • Rupatadine fumarate • Desloratadine • Amoxapine • Loxapine succinate • Rivaroxaban • Silodosin • Tolfenamic acid • Ticagrelor • Tofacitinib citrate • Fexofenadine HCl • Gliclazide • Fluphenazine decanoate • Omeprazole • Esomeprazole magnesium trihydrate	18
Nutraceutical API	• L-Arginine • L-Carnitine L-Tartrate • L-Carnitine L-Fumarate • L-Glutamine • Glutathione • Histidine hydrochloride monohydrate • L-Leucine • L-Phenylalanine • L-Threonine • L-Tryptophan • L-Tyrosine • L-Isoleucine • Levocarnitine • L-Lysine acetate • L-Methionine • L-Valine • Cysteine hydrochloride • L-Alanine • N-Acetyl L-Cysteine • Taurine	20
Personal Care Ingredients	• Piroctone olamine • Sodium sarcosine 40%	3

Product Family	Name of Product	No. of Product
Veterinary API	• Ethyl 2-Phenylpropionate • Ketoprofen • Tolfenamic acid	2

The table below sets forth details of our product portfolio according to their therapeutics application:

Sr. No.	Therapeutic category	Our Products	Number of Pharma Intermediate	Number of API
1.	Anti-inflammatory (NSAID)	Ketoprofen Dex-Ketoprofen trometamol Ketoprofen lysine Loxoprofen sodium dihydrate Tolfenamic acid	7	5
2.	Analgesic	Ketoprofen Tolfenamic acid	2	2
3.	Antipyretic	Ketoprofen Loxoprofen sodium dihydrate Tolfenamic acid	6	3
4.	Antihistamine	Rupatadine fumarate Des-Loratadine Fexofenadine hydrochloride	4	3
5.	Antidepressant	Amoxapine	1	1
6.	Antipsychotic	Loxapine succinate Fluphenazine decanoate	1	2
7.	Anticoagulant	Rivaroxaban	3	1
8.	Antihypertensive	Losartan potassium Valsartan	-	2
9.	Nutrition	L-Arginine Taurine L-Carnitine L-Tartrate L-Carnitine L-Fumarate L-Glutamine Glutathione Histidine hydrochloride monohydrate L-Leucine L-Phenylalanine L-Threonine L-Tryptophan L-Tyrosine L-Isoleucine Levocarnitine L-Lysine acetate L-Methionine L-Valine Cysteine hydrochloride L-Alanine N-Acetyl L-Cysteine	-	20
10.	Anti-arrhythmic	Ranolazine (GGE)	1	-
11.	Anti-hyper parathyroid	Cinacalcet (RNEA)	1	1
12.	Antiplatelet	Ticagrerlol	-	1
13.	Ant diabetic	Gliclazide	-	1
14.	Gastroesophageal reflux disease (GERD)	Esomoprozol magnesium trihydrate Omeprazole	-	2
15.	Anti-rheumatic	Tofacitinib citrate	-	1

We strive to continue to expand our range of products in order to meet changing demands of the end user industries. For ten months ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we manufactured and sold 154MT, 153 MT, 316 MT, 214 MT of API and Pharma Intermediates to 32, 39, 48 and 63 customers, respectively. We set-out below the revenue derived from the pharma industry segments where our products have been used in various applications:

(₹ in lakhs except for percentages)

Application / Industry segment	For ten months period ended January 31, 2025		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
API	2093.85	27.11%	3,234.01	48.57%	5,010.82	44.39%	1,926.75	33.55%
Finished Dosage Formulation	4888.08	63.28%	2,934.31	44.07%	5,929.42	52.53%	3,675.30	64.00%
Nutraceutical	731.86	9.47%	461.56	6.93%	194.48	1.72%	-	0.00%
Others *(personal care and veterinary)*	11.04	0.14%	28.49	0.43%	153.02	1.36%	140.56	2.45%
TOTAL	7724.83	**100%**	**6,658.37**	**100%**	**11,287.74**	**100%**	**5,742.61**	**100%**

As certified by the Statutory Auditors through certificate dated February 17, 2025 .

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

(₹ in lakhs except for percentages)

Period	Revenue from operations	Revenue contribution of our top 10 customers	Revenue contribution of our top 10 customers (%)
January 31, 2025	7724.83	6675.07	86.41%
Fiscal 2024	6,658.37	5,040.81	75.71%
Fiscal 2023	11,287.74	8,791.26	77.88%
Fiscal 2022	5,714.27	4,607.72	80.64%

As certified by the Statutory Auditors through certificate dated February 17, 2025.

For risk relating to concentration of revenue in top ten (10) customers, see "***Risk Factors - Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows" on page 34.***

We supply our products in both domestic and overseas markets to various pharmaceutical companies and third party dealers and distributors. In addition to our domestic market sales in India, we have expanded our scale of operations and global footprint with customers in over 15 countries including Italy, Germany, South Korea, China, Argentina, Chile, Columbia, Mexico, Egypt, Turkey, Japan, Brazil, United Kingdom, United Arab Emirates etc. among others.

During Fiscal 2022, 2023, 2024 and Fiscal 2025 and for the ten months period ended January 31, 2025, we exported our products to fifteen (15) countries. For the ten months period ended January 31, 2025), Fiscal 2024, Fiscal 2023 and Fiscal 2022, our revenue from exports (including merchant exports) amounted to ₹ 391.09 lakhs, ₹661.13 lakhs, ₹1,202.62 lakhs and ₹946.13 lakhs amounting to 5.06%, 9.93%, 10.65% and 16.56%, of our revenue from operations, respectively. Our revenue from operations from the domestic market for the ten months period ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022 was ₹ 7333.74 Lakhs, ₹5,997.25 lakhs, ₹10,085.13 lakhs, ₹4,768.14 lakhs, lakhs, respectively. We set out below our revenues and percentage of revenues from operations for Fiscals 2024, 2023 and 2022 from export and domestic market:

(₹ in lakhs except for percentages)

Geography	For the period ended January 31, 2025		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
India (*domestic sales*)	7333.74	94.94%	5,997.25	90.07%	10,085.13	89.35%	4,768.14	83.44%
Overseas	391.09	5.06%	661.13	9.93%	1,202.62	10.65%	946.13	16.56%

Geography	For the period ended January 31, 2025		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Revenue from Operations	**7724.84**	**100%**	**6,658.37**	**100.00%**	**11,287.74**	**100.00%**	**5,714.27**	**100.00%**

As certified by the Statutory Auditors through certificate dated February 17, 2025.

We carry out our manufacturing activities through our manufacturing facility situated at Survey No.36/2/P2, Near Bharudi Toll Plaza, Gondal Road NH27, Sadak Pipaliya, Rajkot, Gujarat which is spread across 5,059 sq. mtrs. ("**Manufacturing Facility**"). Our Manufacturing Facility comprises of two separate manufacturing blocks for manufacturing of Pharmaceutical Intermediate and APIs respectively with an aggregate installed production capacity of 400 MTPA along with four (4) in-house laboratories, a storage facility to store finished goods and raw materials. Our Manufacturing Facility is equipped with glass-lined and stainless-steel reactors with switch capacities ranging up to 4 kl, along with various filtration, centrifugation, drying system and other equipment. For details, see "***Our Business* - Capacity Utilization"** on page 200.

Our Manufacturing Facility is subject to regular audit by our client or their external consultants and the regulatory authority of their jurisdiction. As on date, our Manufacturing Facility is audited and approved by thirty-three (33) customers and their respective regulatory authorities. Our Manufacturing Facility was recently audited and approved by Brazilian Health Regulatory Agency ("**ANVISA-Brazil**") with zero discrepancy. Further, our Manufacturing Facility received the Accreditation of Foreign Manufacturer from Pharmaceuticals and Medical Devices Agency, Japanese Regulatory Authorities ("**PMDA-JAPAN**") and was approved by National Medical Products Administration, China ("**NMPA-China**"). Further, our manufacturing units have been accredited by Good Manufacturing Practise ("**GMP**") and GMP-WHO for APIs which ensures that our API products are in adherence to the quality standards appropriate to their intended use and are as per the product specification. Further, the management systems of our Manufacturing Facility is compliant with ISO 9001:2015. For details, see "***Government and Other Approvals*"** on page 301.

As on date of this Draft Red Herring Prospectus, we are supported by four (4) testing laboratory for adding new generic APIs , process optimisation and test our products against the specified industry standards or customer specifications. As on date, our Testing, Quality Control and Quality Assurance team consist of thirty-four (34) members out of which twenty-four (24) are science graduates and post-graduates members who carry out various tests to ensure that the quality of our products meets customer requirements and established industry standards along with focus on continuous improvements to our manufacturing processes by reducing existing impurities and employ appropriate processes to achieve the desired level of purity. Our Testing, Quality Control and Quality Assurance team is also responsible for ensuring the quality of our raw material that we use for our manufacturing of our products. For details, see "***Our Business – Human Resource***" on page 206.

We are led by our Promoters and Directors, Punitkumar Rasadia and Meet Vachhani who have a collective experience of over 15 years in the pharmaceutical chemical industry. Our Promoters supported by our senior management are involved in various aspects of our business, including manufacturing, quality control, finance, procurement, sales and marketing. Our Promoters continues to remain actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. For further details, see "***Our Promoters***" and "***Our Management***" on page 235 and 220, respectively. We are also supported by our work force which consist of 117 employees and worker and 8 contract labours. For details, see "***Our Business – Human Resource***" on page 206.

Financial performance indicators

Our key financial performance indicators for period ended January 31, 2025 and Fiscal 2024, Fiscal 2023 and Fiscal 2022 are detailed as below;

(*₹ in lakhs unless stated otherwise*)

Parameter	For ten months period ending January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Financial Parameter				
Revenue from operations	7724.84	6658.37	11287.74	5714.27
EBITDA(1)	1749.06	1556.94	1265.74	580.57
EBITDA Margin(2) (%)	22.61	23.35	11.19	10.09
Restated Profit after Tax	1196.08	965.71	582.00	-10.77
PAT Margin(3) (%)	15.48	14.48	5.14	-0.19

As certified by the Statutory Auditors through certificate dated February 17, 2025 .

Notes:

1) *EBITDA is calculated as Restated Profit before tax (before Exceptional items) plus finance costs and depreciation and amortization expenses. There are no Exceptional items during the reporting period*
2) *EBITDA Margin is calculated by EBITDA divided by Total Income.*
3) *PAT Margin is calculated as restated profit after tax divided by Total Income.*

Market Opportunity

The table below sets forth details of existing and future growth prospects of various end-user pharma industries segment to which our product caters:

Industry	Growth Prospect and Drivers
Pharmaceuticals	Indian pharmaceutical industry is ranked as the third largest in the world, in terms of volumes of drugs manufactured and thirteenth largest, in terms of value. India is also the world's largest supplier of cost-effective generic drugs, and accounts for nearly one fifth of the global trade in generic drugs. India has achieved an enviable position in global generic drug market on the back of its strength in organic chemical synthesis and process engineering. Between FY 2019 – FY 2024, annual turnover in the Indian Pharmaceutical Industry increased at a CAGR of 9.9%, growing from INR 2,585 Bn in FY 2019. The annual revenue turnover in pharmaceutical industry is expected to reach INR 7,300 Bn by FY 2030, growing by a CAGR of 10% during FY 2024-30. The domestic demand for pharmaceuticals will be driven by driven by increasing number of old populations, higher spending on healthcare, penetration of health insurance products, as well as rise in incidence of diseases. Additionally, the exports are likely to increase, given the production-linked incentive (PLI) for pharmaceuticals announced by the government.
Active Pharmaceutical Ingredients (APIs)	API, a crucial component of the pharmaceutical industry, account for approximately 35% of the market. APIs, the biologically active components in drugs, are key to their therapeutic effects. India is the third-largest producer of APIs globally, with an 8% market share and over 500 types of APIs produced. India's API market is expected to grow at a rapid CAGR of 13.7%, positioning itself to gain a larger share in the global pharmaceutical supply chain. While India has made strides in reducing its API import dependency, challenges remain, including competition from Chinese manufacturers, stringent environmental regulations, and volatile pricing. Nevertheless, with strong government support, ongoing investments, and rising global demand for contract manufacturing, the outlook for India's API sector is positive. The industry is expected to grow at a CAGR of 7-8% by 2029.
Nutraceuticals / Dietary Supplements	Nutraceuticals, functional foods or dietary supplements, have emerged as a pivotal force driving the growth of the Indian pharmaceutical industry. As consumers increasingly prioritize health and wellness, the demand for these products has surged, creating a lucrative market for pharmaceutical companies. Nutraceuticals offer a unique blend of nutrition and pharmaceutical benefits, addressing a wide range of health concerns, from immunity and digestive health to cognitive function and weight management. The rising demand for

Industry	Growth Prospect and Drivers
	nutraceuticals has also led to a corresponding increase in the demand for Active Pharmaceutical Ingredients (APIs), the essential building blocks of these products. This has created a positive ripple effect throughout the pharmaceutical value chain, benefiting API manufacturers, suppliers, and distributors. The Indian nutraceutical market is projected to grow at a CAGR of 10-12% over the next few years. This growth is expected to drive a corresponding increase in the demand for APIs used in nutraceutical production.
Personal Care	Personal care products, encompassing a wide range of items from skincare and haircare to cosmetics and toiletries, have become an integral part of modern lifestyles. The increasing emphasis on personal grooming and well-being has fueled a surge in demand for these products. The demand for personal care products has created a significant market for Active Pharmaceutical Ingredients (APIs), which are used in the production of various personal care formulations.
Veterinary (Animal Health)	The Indian pharmaceutical industry is significantly driven by the demand for veterinary products. The country's vast livestock population, coupled with rising awareness of animal health and increasing disposable incomes, has created a robust market for veterinary pharmaceuticals. This demand for veterinary products, in turn, drives the demand for Active Pharmaceutical Ingredients (APIs), the essential building blocks of these medications.

(Source: D&B Report)

OUR STRENGTH

Strong product portfolio and scalable business

We are a chemical manufacturing company engaged in manufacturing of Pharma Intermediates and APIs. Our products are manufactured in accordance with pharmacopeia standards such as IP, BP, EP, JP, USP.

Our products find applications in following industry segments:

Pharma Industry Segment	Application of our Products
Active Pharmaceutical Ingredients	Pharma Intermediates serves as a key starting material or as an advance intermediate for the manufacturing of APIs.
Finished Dosage Formulations	APIs serves as a raw material for preparation of various type of FDF like tablet, capsules, ointment, syrup, etc.
Nutraceuticals Products	APIs serves as a raw material for preparation of dietary supplements.
Personal Care Products	APIs serves as a raw material for preparation of personal care products, particularly piroctone olamine which is used in anti-dandruff products.
Veterinary (*Animal Health*)	APIs serves as a raw material for preparation of various formulation for animal health medicine

We are one of the few manufacturers of loxoprofen sodium dihydrate in India, which is a notable API that is widely used in treatment of pain/inflammation association with conditions including rheumatoid arthritis, osteoarthritis, lower back pain, frozen shoulder, neck-shoulder-arm syndrome, tooth pain or after surgery, injury or tooth extraction
(*Source: D&B Report*).

In addition to the manufacturing of Pharma Intermediate and APIs in accordance with various domestic and international standards, we have recently started undertaking custom manufacturing services for complex or novel chemical compounds, tailoring the manufacturing process to meet specific customer requirements, including producing chemicals with purity levels. Our domain knowledge and expertise enables us to reduce existing impurities and employ appropriate processes to achieve the desired level of purity (*source: D&B Report*).

As on date, our API products loxoprofen sodium dihydrate has been approved by regulatory authority of Brazil, Japan, China and our present position as one of the few manufacturers of loxoprofen sodium dihydrate in India, allows us to serve the customers of such jurisdiction. Further, we have also filed twenty-one (21) DMF of various products for approval with regulatory authorities of European Union, Russia, Japan, South Korea, Iran, Jordan, Pakistan amongst other and we are in process of filing DMF for approval of ketoprofen with regulatory authority of USA and dexketoprofen trometamol with regulatory authority of Spain, Italy, Germany, Slovenia.

Our product portfolio coupled with our ability to customize when required, provides us with a competitive advantage. Along with it, we have a wide range of product portfolio of sixty-five (65) commercialised products and twenty-eight (28) products which are at the pilot stage, forty-nine (49) products at laboratory testing stage. Our products spans across the family of pharmaceutical intermediates, active pharmaceutical ingredients, nutraceutical APIs and ingredients for personal care and veterinary API products. We believe that our present commercialized product and product at pilot stage backed by products at laboratory testing stage give us an advantage in domestic as well export market and thus enable us to make our business scalable.

Strong Promoters and Experienced Management Team

We are driven by a qualified and dedicated management team, which is led by our Board of Directors. Our Promoters have been associated with the Company since inception and have played a significant role in shaping and developing the operations of our business. Our Promoters play a pivotal role in formulating business strategies, driving innovation, integrating systems, processes and technologies, diversification and expansion of business, and commitment to customer-focused approach.

The senior management team has also been instrumental in establishing and maintaining relationships with our customers. Additionally, our senior management possesses extensive industry and management experience which has given us a specialized understanding of the complexities involved in the manufacturing of such specific and niche products and the processes involved. Our business growth is also attributable to our strong management culture fostered by an entrepreneurial spirit that is managed by our department heads who are experienced and have in-depth and hands-on knowledge of our industry. Our experienced and dedicated management team also enables us to capture market opportunities, formulate and execute business strategies, manage customers' expectations as well as proactively manage changes in market conditions. Our senior management, technical personnel and skilled workers benefit from our regular in-house training initiatives in health and safety, quality management and other soft skills.

We believe that the experience, depth and diversity of our Promoters and senior management have enabled our Company to scale up our operations in domestic and international markets. Our senior management approach is collaborative and function-oriented, and we believe this to be critical to our competitive advantage. Our management team's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to ever evolving requirements. We will continue to leverage on the experience of our senior management team and their understanding of the pharmaceutical chemical industry, to take advantage of current and future market opportunities.

High entry and exit barriers due to long customer approval cycles and strict product standards

We are a manufacturer of Pharma Intermediates and APIs. Our manufacturing process involves multi-step production and purification processes to manufacture Pharma Intermediates and APIs. Further, given the nature of the application, our processes and products are subject to, and measured against established domestic and international standards and stringent specifications of customers.

As a part of the detailed approval process by potential customers or their regulatory agencies, we are required to make an extensive documentary submission like DMF about our Manufacturing Facility and other details including processes, quality control measures, certifications, product specifications, quality standards and regulatory compliances. Post the satisfaction of the potential customer on the documents submitted by us, the potential customer or its respective regulatory agencies conduct an on-site inspection of our Manufacturing Facility to assess our adherence to good manufacturing practices, cleanliness, equipment maintenance and regulations relating to Quality Environmental Health and Safety ("**QEHS**"). In this process they identify deviations, if any, from the standards and suggest areas for improvements. On being satisfied with all the above parameters the potential customer awards its approval or offer a conditional approval by specifying the conditions and the timelines to grant the final approval. Therefore, any change in vendors of our customers may require significant time and costs due to regulatory filings and related issues resulting in a propensity amongst our customers to continue with the same set of suppliers.

Hence, customer acquisition involves a long process and gestation period is higher. Further, our Manufacturing Facility is regularly audited by our customers or their external consultants to ensure that we meet their quality and process standards. As a result of extensive experience of working with domestic and multinational customers across jurisdictions, we believe that we are well positioned to capitalise on our experience and expertise to generate and obtain repeat orders from our customers. Our Manufacturing Facility is audited and approved by 33 customers/prospects customers or their external consultants and regulatory agencies and as of the date of this Draft Red Herring Prospectus, no customer has cancelled orders with us pursuant to an audit.

In-house Testing, Quality Control and Quality Assurance for quality control

Our Company is committed to maintain the quality standards through rigorous quality checks, detailed analysis, and the continuous development of process improvements. As on date of this Draft Red Herring Prospectus, we are supported by four (4) testing laboratory for adding new generic APIs, process optimisation and test our products against the specified industry standards or customer specifications.

As on date, our Testing, Quality Control and Quality Assurance team consist of thirty-four (34) members out of which twenty-four (24) are science graduates and post-graduates members who carry out various tests to ensure that the quality of our products meets customer requirements and established industry standards along with focus on continuous improvements to our manufacturing processes by reducing existing impurities and employ appropriate processes to achieve the desired level of purity. Our Testing, Quality Control and Quality Assurance team is also responsible for ensuring the quality of our raw material that we use for our manufacturing of our products

As we are also undertaking custom manufacturing of products which requires us to carry out various tests are required to be conducted in our laboratory to check whether a chemical is able to achieve a particular level of purity as required by the customer for end use purposes and thereafter the developed product is subject to approval from regulatory authorities.

Our product development efforts are led by Sagar Senjaria, our Manager – Product Development and our quality control department is headed by Chetan Raiyani. Our Testing, Quality Control and Quality Assurance Department is responsible for developing and implementing quality standards, policies, and procedures to ensure that pharmaceutical products are manufactured and tested in compliance with the customer requirements and conducting regular inspections, audits, or reviews to assess the effectiveness of quality control measures. During the ten months period ended January 31, 2025, Fiscals 2024, 2023 and 2022, we have incurred total expenditure aggregating to ₹ 116.67 lakhs, ₹104.0 lakhs, ₹86.3 lakhs and ₹73.5 lakhs, respectively towards testing, development and quality control. We intend to further develop our testing capabilities in order to enhance our product portfolio.

Our testing and development capabilities have enabled us to expand our product offerings from ten (10) commercial products in Fiscal 2018 to sixty-five (65) commercial products during Fiscal 2024.

We believe that our industry experience gives us a competitive advantage of having an in-depth knowledge about pharmaceutical products and a better understanding of the trends in the pharmaceutical industry.

Focus on Quality, Environment, Health and Safety (QEHS)

We believe that maintaining a high standard of quality for our products is critical to our continued growth. In our Manufacturing Facility, we have put in place quality check systems that cover areas of our manufacturing process and product delivery, to ensure consistent quality, efficiency and safety of products. Our products go through various quality checks at various stages. Many of our key customers have audited and approved our Manufacturing Facility in the past, which ensures our customers regarding the continuance of quality of our facility, processes and product.

We are committed towards quality, environment, health and safety in pursuant of which we have quality certifications such as ISO 9001:2015, GMP, GMP-WHO, HALAL, for our Manufacturing Facility. Further, our facility is zero liquid discharge facility equipped with an in-house effluent treatment plant for the treatment of water and multi-effect evaporator to treat wastewater.

Furthermore, we have obtained membership of third-party waste management companies such as Aztec Recycling Hub Private Limited, Greenspace Enviro Services, Recycling Solutions Private Limited, Ecocare Infrastructures Private Limited for waste management and treatment, storage and disposal of waste.

We prioritize the health and safety of our employees and undertake initiatives to promote employee health and their overall well-being by facilitating periodical health check-ups.

OUR STRATERGIES

Increasing our manufacturing capacity to focus on the growing demand of our core products

As on the date of this Draft Red Herring Prospectus, we have one manufacturing facility situated at Survey No.36/2/P2, Near Bharudi Toll Plaza, Gondal Road NH27, Sadak Pipaliya 360 311, Rajkot, Gujarat, India for the production of our wide range of Products. Our total installed capacity is 400 MTPA. Our Manufacturing Facility is spread over a land area of approximately 5,059 Sq.mts. Our Company has also taken adjacent land area admeasuring 3,112.00 sq.mts. at Survery No. 36/2/p5, Near Bharudi Toll Plaza, Gondal Road, NH27, Sadak Pipaliya 360311, Rajkot, Gujarat, India on the lease hold basis, which is at presently used as drum-yard and storage facility by the Company.

We intend to expand our manufacturing operations and production capacity by establishing a new manufacturing plant on Company's owned freehold industrial land situated at survey number 42/1/p2/p2 , Village Pipaliya, Taluka Gondal, , District Rajkot , Gujarat, India, admeasuring 4,958 sq.mts.
The said land is Company's owned industrial freehold land and is approximately at a distance of within 400 meters from the present Manufacturing Facility.

The proposed new manufacturing plant shall be with an intermediate block and API block having an installed capacity of 700 MTPA, thus increasing the total production capacity. We propose to utilize the additional capacity for manufacturing a range of existing as well as new Pharma Intermediaries and APIs. For details, see "***Objects of the Issue***" on page 106.

Continue to increase our wallet share with existing customers and continued focus to expand customer base

We believe our commitment to quality and timely delivery will help increase our wallet share and product portfolio with existing customers. We believe that we have built good relationships with some of our customers through various strategic endeavours, which we intend to leverage by capitalizing on the cross-selling opportunities that our present product portfolio offers and our future product portfolio would offer. We believe that our cordial relationships that we have enjoyed with our customers over the years and the repeat and increased orders received from them is an indicator of our position as a preferred supplier to our customers. We also invest in providing support at early stages of product development by our customers, in order to benefit from the potential growth following commercialization of such products in the future and to also provide us an opportunity to become the preferred supplier of our customers.

Going forth, we intend to continue to leverage diversified product portfolio and our industry experience to establish relationships with new multinational, regional and local customers and expand our domestic and international customer base. Further, we plan on utilizing our geographical footprint to address the sourcing requirements of our existing customers as and when they enter new markets, thereby consolidating our position as a preferred supplier across geographies. Several global players prefer a "China + 1 offshore strategy", with capacities shifting to cost efficient markets with strong technology capabilities like India. The shift towards India as part of the "China+1" strategy is expected to accelerate in the coming years from which we as API manufacturer, is believed to be benefited (*Source: D&B Report*)

Expand our existing product portfolio

We have consistently sought to diversify our portfolio of products which could cater to customers across segments, sectors, and geographies. We have enabled us to expand our product offerings from ten (10) commercial products in Fiscal 2018 to sixty-five (65) commercial products during Fiscal 2024. In accordance with this, while we seek to continue to strengthen our existing product portfolio, we intend to further diversify into products with prospects for increased growth and profitability. We plan to continue to increase offerings in our current business segments as well as diversify into new products by tapping into segments which in the view of our management have attractive growth prospects.

Improve cost management and operational efficiencies along with focus on rationalizing our indebtedness.

We plan to enhance our profitability by continuing to improve our cost management and operational efficiencies, by further implementing process efficiency whereby we strive to improve the production process to optimize our processes and achieve higher efficiency we intend to focus on high-value, low-volume products within our product portfolio. We also seek to benefit from optimizing our product selection strategy.

As on January 31, 2024, the amount outstanding under our loan facilities from financial institutions was ₹ 3,354.06 lakhs. We propose to utilize an estimated amount of ₹500.00 lakhs from the Net Proceeds towards re-payment or pre-payment of borrowings, availed by our Company in full or in part. The repayment/ prepayment, will help reduce our outstanding indebtedness, assist us in maintaining a favourable debt-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in business growth and expansion. In addition, we believe that since our debt-equity ratio will improve, it will enable us to raise further resources at competitive rates and additional funds or capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. For further details, see "***Objects of the Issue***" on page 106.

Health and safety

Our Company actively pursues health, safety & the environment as an integral part of our business and operations. We strive to prevent and minimize the environmental impact of our activities and products. We endeavor to continuously maintain a safe workplace environment for our employees, contractors, visitors and local community and promote healthy & wellbeing. Our Company encourage employee through trainings to contribute to a safer environment at work, home and in the community. Our Manufacturing Facility and functions are governed by the more efficient use of material and energy, the substitution of hazardous materials where feasible and the optimization of material & recycling. Our Company is committed to comply with all applicable requirements through continual improvement in the safety, health & environment measures.

OUR BUSINESS OPERATIONS

Products:

Our Company has an experience of over seven (7) years in manufacturing and sale of Pharma Intermediate and APIs. Our products have distinguished regulatory approval having a broad range of applications in pharama industries segments such as APIs, pharmaceuticals formulations, nutraceuticals, personal care, animal health. As on the date of this Draft Red Herring Prospectus, our product portfolio comprised of over consists of sixty-five (65) commercialised products and twenty-eight (28) products which are at pilot stage, forty-nine (49) products at validation stage.

Pharma Intermediates: Pharmaceutical Intermediates serve as a key starting material or as an advance intermediate for manufacturing of APIs.

Set forth below are the brief description, type, properties and application of our major commercialised Pharma Intermediates.

Product Type: **3-(1-cyanoethyl)benzoic acid**

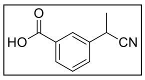
Description: 3-(1-cyanoethyl)benzoic acid is an organic compound, a derivative of benzoic acid

CAS No: 5537-71-3

Type: 3-(1-cyanoethyl)benzoic acid

Properties:

Chemical Formula: C10H9NO2
Molecular Weight: 175.18 g/mol
Appearance:White / off white crystaline solid powder
Melting Point: 145-148°C



Application: it is used as antimicrobial preservative, antifungal, and tablet and capsule lubricant and also use as raw material of Ketoprofen API.

Product Type: **Ketonitrile**

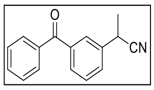
Description: Ketonitrileis an organic compound,a derivative of propionitrile

CAS No: 42872-30-0

Type: Ketonitrile

Properties:

Chemical Formula: C16H13NO
Molecular Weight: 235.28 g/mol
Appearance:White / off white crystaline solid powder
Melting Point: 47-53°C



Application: ketonitrile is use as raw material of ketoprofen API.

Product Type: **Methyl 2-oxocyclopentanecarboxylate**

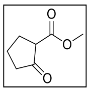
Description: Methyl 2-oxocyclopentanecarboxylate is an organic compound, a derivative of cyaclopetanone.

CAS No: 492-37-5

Type: Methyl 2-oxocyclopentanecarboxylate

Properties:

Chemical Formula: C7H10O3
Molecular Weight: 142.15
Appearance: colorless liquid
Boiling Point: 111°C



Application: Methyl 2-oxoCyclopentane-carboxylate is use as raw material of Loxoprofen sodium dihydrate API.

Product Type : **N-Methyldesloratadine**

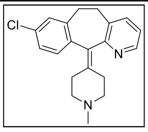
Description: N-Methyldesloratadine is an organic compound.

CAS No: 38092-89-6

Type: N-Methyldesloratadine

Properties-

Chemical Formula: C20H21ClN2
Molecular Weight: 324.85
Appearance: White Crystaline powder
Melting Point: 106-109°C



Application: N-methyl desloratadine is a pharmaceutical compound used for the treatment of allergies and allergic conditions.

Product Type: **Ketoprofen Ethyl Ester**

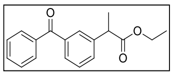
Description: Ketoprofen Ethyl ester is an organic compound , a derivative of ketoprofen.

CAS No: 60658-04-0

Type: Ketoprofen Ethyl Ester

Properties:

Chemical Formula: C18H18O3
Molecular Weight: 282.33 g/mol
Appearance: Light yellow color Liquied



Application: Ketoprofen ethyl esteris use as raw material of Dex-ketoprofen Trometamol API.

Product Type: **Loxoprofen Acid**

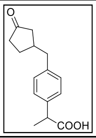
Description: Loxoprofen Acid is an organic compound, a derivative of propionic acid group.

CAS No: 68767-14-6

Type: Loxoprofen Acid

Properties:

Chemical Formula: C15H18O3
Molecular Weight: 246.30 g/mol
Appearance: White to almost white Crystalinepowder
Melting Point: 108.5-111°C



Application: Loxoprofen Acid is intermediate stage of loxoprofen sodium dihydrate.

Product Type: **2-phenylpropanoic acid**

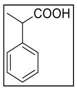
Description: 2-phenylpropanoic acid is an organic compoun,a derivative of benzyl cyanide.

CAS No: 492-37-5

Type: 2-phenylpropanoic acid

Properties:

Chemical Formula: C9H10O2
Molecular Weight: 150.17 g/mol
Appearance: colorless to light yellw color liquid
Boiling Point : 260-262°C



Application: 2-Phenyl propionic acid is use as raw material of Loxoprofen sodium dihydrate API.

Product Type: **2-(4-(bromomethyl)phenyl)propanoic acid**

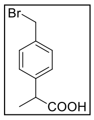
Description: 2-(4-(bromomethyl)phenyl)propanoic acid, a derivative of 2-phenylpropanoic acid

CAS No: 111128-12-2

Type: 2-(4-(bromomethyl)phenyl)propanoic acid

Properties:

Chemical Formula: C10H11BrO2
Molecular Weight: 243.10
Appearance: white crystaline powder
Melting Point: 125-131°C



Application: 2-[4-(Bromomethyl)phenyl]propionic Acid is a key intermediate for the synthesis of Loxoprofen sodium a nonsteroidal anti-inflammatory drug.

Product Type: **(S)-2-((2-oxo-3-(4-(3-oxomorpholino)phenyl)oxazolidin-5-yl)methyl)isoindoline-1,3-dione(Rivaroxaban Intermediate)**

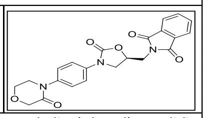
Description: (S)-2-((2-oxo-3-(4-(3-oxomorpholino)phenyl)oxazolidin-5-yl)methyl)isoindoline-1,3-dione is an organic compound.

CAS No: 446292-08-6

Type: (S)-2-((2-oxo-3-(4-(3-oxomorpholino)phenyl)oxazolidin-5-yl)methyl)isoindoline-1,3-dione

Properties:

Chemical Formula: C22H19N3O6
Molecular Weight: 421.40
Appearance: White powder



Application: (S)-2-((2-oxo-3-(4-(3-oxomorpholino)phenyl)oxazolidin-5-yl)methyl)isoindoline-1,3-dione is a intermediate stage of rivaroxaban API.

Product Type: **(S)-4-(4-(5-(aminomethyl)-2-oxooxazolidin-3-yl)phenyl)morpholin-3-one hydrochloride (Rivaroxaban intermediate)**

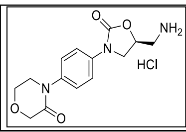
Description : (S)-4-(4-(5-(aminomethyl)-2-oxooxazolidin-3-yl)phenyl)morpholin-3-one hydrochloride is an organic copmpouund.

CAS No: 898543-06-1

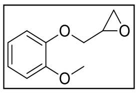
Type: (S)-4-(4-(5-(aminomethyl)-2-oxooxazolidin-3-yl)phenyl) morpholin-3-one hydrochloride

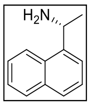
Properties:

Chemical Formula: C14H18ClN3O4
Molecular Weight: 327.76
Appearance: White powder



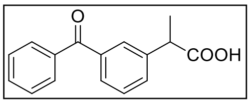
Application: (S)-4-(4-(5-(aminomethyl)-2-oxooxazolidin-3-yl)phenyl)morpholin-3-one hydrochloride is aintermediate stage of rivaroxabanAPI.

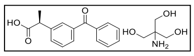
Product Type: **Guaiacol glycidyl ether**	***Description:*** Guaiacol glycidyl ether is an organic compound, a derivattive of 2-methoxy phenol. ***CAS No:*** 2210-74-4
	Type: Guaiacol glycidyl ether
	Properties: Chemical Formula: C10H12O3 Molecular Weight: 180.20 Appearance:White solid Melting Point:33-36°C 
	Application: Guaiacol glycidyl ether is use as raw material of Ranolazine API.

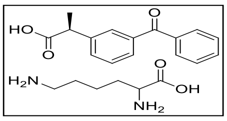
Product Type: **R-(+)-1-(1-Naphthyl)ethylamine**	***Description:*** R-(+)-1-(1-Naphthyl)ethylamine is an organic compound, a derivative of acetophenone. ***CAS No:*** **3886-70-2**
	Type: R-(+)-1-(1-Naphthyl)ethylamine
	Properties: Chemical Formula: C12H13N Molecular Weight: 171.24 Appearance:Colorless to light yellow liquid Melting Point:33-36°C 
	Application: R-(+)-1-(1-Naphthyl)ethylamine is use as raw material of Cinacalcet API.

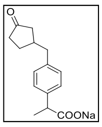
Active Pharmaceutical Ingredients (API): An API refers to the substance within a pharmaceutical product that produces the intended therapeutic effect. APIs are the core elements of a drug, acting on biological systems to achieve a desired medical outcome**.** APIs are the central components in any pharmaceutical product, and their development, synthesis, and regulation are vital to ensuring that medications work as intended **(***Source: D&B Report***).** APIs serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, Ointment, Syrup etc, ingredients in nutraceuticals, personal care and veterinary products.

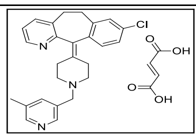
Set forth below are the brief description, type, properties and application of our major APIs.

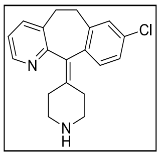
ProductType: **Ketoprofen**	***Description:*** Ketoprofen is an organic compound. ***CAS No:*** 22071-15-4
	Type- Ketoprofen
	Properties: Chemical Formula: C16H14O3 Molecular Weight: 254.28 g/mol Appearance: White / off white crystaline solid powder Melting Point: 94-97°C 
	Application: Ketoprofen is a nonsteroidal anti-inflammatory agent with analgesic and antipyretic properties.

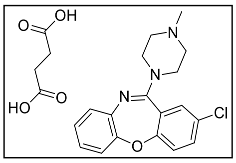
Product Type: **Dexketoprofen trometamol**	***Description:*** Dexketoprofen trometamol is an organic compound, a derivative of ketoprofen. ***CAS No:*** 156604-79-4
	Type: Dexketoprofen trometamol
	Properties: Chemical Formula: C20H25NO6 Molecular Weight: 375.42 g/mol Appearance:White / off white crystaline solid powder Melting Point: 104-106°C 
	Application: Dexketoprofen tromentamol is an active substance from the group of non-steroidal anti-inflammatory drugs with analgesic, antipyretic and anti-inflammatory characteristics. It is used for the treatment of pain of various causes and is taken by mouth in the form of tablets.

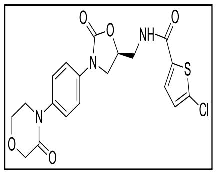
Product Type: **Ketoprofen Lysinate**	***Description:*** Ketoprofen Lysinate is an organic compound, a derivative of ketoprofen. ***CAS No:*** 57469-78-0
	Type: Ketoprofen Lysinate
	Properties- Chemical Formula: C22H28N2O5 Molecular Weight: 400.47 g/mol Appearance: White to almost white powder Melting Point: 170-173°C 
	Application: Ketoprofen lysinate is one of the most commonly used NSAIDs for the treatment of various chronic inflammatory diseases such as osteoarthritis and rheumatoid arthritis for analgesic activity.

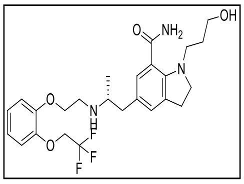
Product Type: **Loxoprofen Sodium Dihydrate**	***Description:*** Loxoprofen Sodium Dihydrateis an organic compound,a derivative of propionic acid group. ***CAS No:*** 226721-96-6
	Type: Loxoprofen Sodium Dihydrate
	Properties: Chemical Formula: C15H17NaO3 Molecular Weight: 268.28 Appearance: White to almost white Crystalinepowder Melting Point: 195-200°C 
	Application: Loxoprofen sodium dihydrate is non-steroidal anti-inflammatory medication (NSAID) indicated for pain and inflammation related to musculoskeletal and joint disorders.

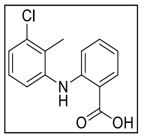
Product Type:	
Product Type: **Rupatadine Fumarate**	***Description:*** Rupatadine Fumarate is an organic compound, a derivative of desloratadine. ***CAS No:*** 182349-12-8
	Type: Rupatadine Fumarate
	Properties: Chemical Formula: C30H30ClN3O4 Molecular Weight: 532.03 Appearance: White to Light pink Crystaline powder Melting Point: 194-201°C 
	Application: Rupatadine fumarate is a dual histamine H1 receptor and platelet activating factor receptor antagonist that is used for symptomatic relief in seasonal and perennial rhinitis as well as chronic spontaneous urticaria.

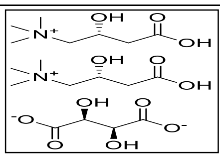
Product Type: **Desloratadine**	***Description:*** Desloratadine is an organic compound, a derivative of loratadine. ***CAS No:*** 100643-71-8
	Type: Desloratadine
	Properties: Chemical Formula: C19H19ClN2 Molecular Weight: 310.82 Appearance: White Crystaline powder Melting Point: 150-159 °C 
	Application: Desloratadine is an antihistamine used to relieve allergy symptoms such as watery eyes, runny nose, itching eyes/nose, sneezing, hives, and itching.

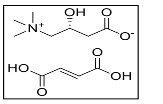
Product Type: **Loxapine Succinate**	***Description:*** Loxapine Succinate is an organic compound, a Derivative of a tricyclic dibenzoxazepine. ***CAS No:*** 27833-64-3
	Type: Loxapine Succinate
	Properties - Chemical Formula: C22H24ClN3O5 Molecular Weight: 445.90 Appearance: White to almost white powder Melting Point: 109-110 °C 
	Application: *A* ntipsychotic agent with antiemetic, sedative, anticholinergic, and antiadrenergic actions.

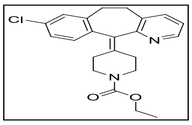
Product Type: **Rivaroxaban**	***Description:*** Rivaroxaban is an organic compond. ***CAS No:*** 366789-02-8
	Type: Rivaroxaban
	Properties : Chemical Formula: C19H18ClN3O5S Molecular Weight: 435.88 Appearance: White to almost white powder Melting Point: 228-234°C 
	Application: Treat deep vein thrombosis (DVT; a blood clot, usually in the leg) and pulmonary embolism.

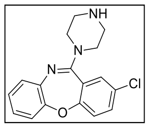
Product Type: **Silodosin**	***Description:*** Silodosin is an organic compound. ***CAS No:*** 160970-54-7
	Type: Silodosin
	Properties: Chemical Formula: C25H32F3N3O4 Molecular Weight: 495.53 Appearance: White to almost white powder Melting Point: 105-109 °C 
	Application: Used to treat signs and symptoms of an enlarged prostate gland**.**

Product Type: **Tolfenamic Acid**	***Description:*** Tolfenamic Acid is organic compound, a derivative of chloro benzoic acid. ***CAS No:*** 13710-19-5
	Type: Tolfenamic Acid
	Properties: Chemical Formula: C14H12ClNO2 Molecular Weight: 261.70 Appearance:White to almost white Crstaline powder Melting Point:207-207.5°C 
	Application: Tolfenamic acid is Nonsteroidal antiinflammatory drug.

Product Type: **L-Carnitine Tartrate**	***Description:*** L-Carnitine Tartrate is an organic compound, a derivative of amino acid. ***CAS No:*** 36687-82-8
	Type: L-Carnitine Tartrate
	Properties: Chemical Formula: C18H36N2O12 Molecular Weight: 472.48 Appearance: White to almost white Crstaline powder Melting Point:176-181 °C 
	Application: L-carnitine tartrate is a diet supplement used to prevent and treat low blood levels of carnitine.

Product Type: **L-Carnitine Fumarate**	***Description:*** L-Carnitine Fumarate is an organic compound, a derivative of amino acid. ***CAS No:*** 90471-79-7
	Type: L-Carnitine Fumarate
	Properties: Chemical Formula: C11H19NO7 Molecular Weight: 277.27 Appearance:White to almost white Crstaline powder Melting Point: 194-198°C 
	Application: L-Carnitine Fumarate can be used in Food, Beverage, Pharmaceutical, Health & Personal care products, Agriculture/Animal Feed/Poultry. L-Carnitine Fumarate is an amino acid used for protein supplementation. L-Carnitine Fumarate can be used in health products, sports beverages, and infant food.

Product Type : **Loratadine**	***Description:*** Loratadine is an organic compound, a derivative of n-methyl loratadine. ***CAS No:*** 79794-75-5
	Type: Loratadine
	Properties: Chemical Formula: C22H23ClN2O2 Molecular Weight: 382.88 Appearance:White Crystaline powder Melting Point: 134-136 °C 
	Application: Loratadine is a medication used to manage and treat allergic rhinitis and urticaria.

Product Type: **Amoxapine**	***Description:*** Amoxapine is an organic compond, a derivative of oxzepine. ***CAS No:*** 14028-44-5
	Type: Amoxapine
	Properties: Chemical Formula: C17H16ClN3O Molecular Weight: 313.78 Appearance: White to light yellow Crystaline powder Melting Point: 175-176°C 
	Application: Classified as a second-generation tricyclic dibenzoxazepine antidepressant .

In addition to our products which are commercialized as on date, some of our products are at pilot stage and laboratory testing stage. The table below sets forth details of our products and their development stage as on March 31, 2024.

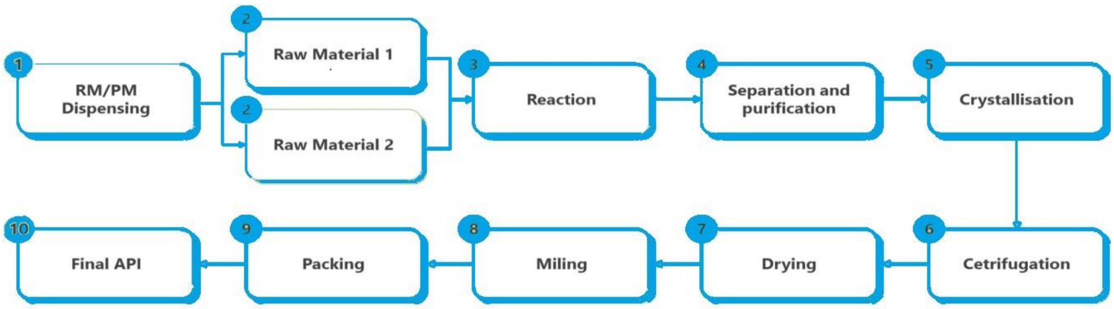
No.	Product Category	Development Stage	No. of Product
1	Pharma Intermediate	Laboratory testing Stage	37
		Pilot Stage	18
2	APIs	Laboratory testing Stage	12
		Pilot Stage	10
TOTAL PRODUCTS			**77**

Manufacturing Process

We generally manufacture our products in various grades of pharmacopeia such as IP, BP, EP, JP, USP, as required by our customers. The first step of manufacturing Pharma Intermediate/API involves preparing the raw materials, which may include dispensing multiple materials. The raw materials are then combined for a reaction whereby the raw materials are either charged in a reaction vessel or are purified as per product specifications, capacity and design based on the type of reaction. The exothermic reaction starts when all technical requirements are met. The reaction mixture is then separated to isolate and purify the target API.

Once the initial stage is completed, the product is analysed as per product parameters. This stage may involve multiple processes, such as centrifugation or filtration. The purified API is then crystallized to form a solid product. Crystallization helps to ensure the API is pure and consistent. The crystallized API undergoes a centrifugation step to remove impurities. The API is then dried to remove any residual moisture and post that the properties as checked as per specifications. Thereafter, API is milled into a powder as per the requirement. The final API is checked for desired quality and once approved by QA/QC team, then the APIs are packaged into drums.

Set out below is the flow chart setting out our manufacturing processes:



Customers

For ten months ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022, we manufactured and sold 154MT, 153 MT, 316 MT, 214 MT of API and Pharma Intermediates to 32, 39, 48 and 63 customers, respectively. We serve our customers directly and through our network of distributors.

The table below sets forth our revenue derived from our top ten (10) customers (the identities of which varied between the financial years) for the ten months ended January 31, 2025, Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively and its percentage of revenue from operations.

(₹ in lakhs except for percentages)

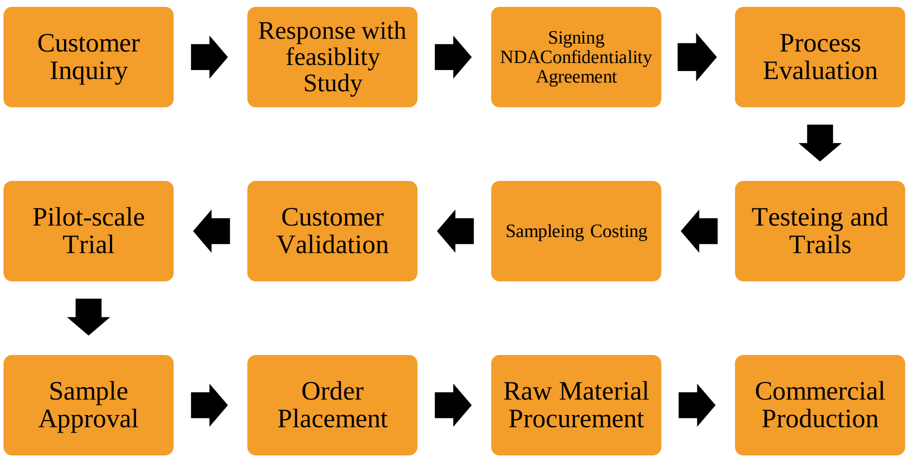
Period	Revenue from operations	Revenue contribution of our top 10 customers	% Revenue contribution of our top 10 customers*
For ten months ended January 31, 2025	7,724.83	6,675.07	86.41%
Fiscal 2024	6,658.37	5,040.81	75.71%
Fiscal 2023	11,287.74	8,791.26	77.88%
Fiscal 2022	5,714.27	4,607.72	80.64%

** While more than 50% of our revenue from operations originates from our top 10 customers, our Company is unable to disclose the names of these customers due to reasons of confidentiality.*

Custom Manufacturing

Our custom manufacturing involves study of the compound, the process of which is developed inhouse as per the required specifications of our customers. Our team works closely with customers or prospective customers to provide solutions tailored to meet specific customer requirements. Our team oversees the entire process of manufacturing from the lab scale to plant scale. We then scale-up our operations from the pilot stage to large-scale manufacturing. Our arrangement with our customer requires us to (i) strictly adhere to the technical specifications mentioned therein; (ii) sample analysis of the products being manufactured and (iii) provide our customers the right to audit our Manufacturing Facility for quality assurance, internal policies and systems. In addition, our arrangement typically requires our customers to place purchase orders that include the quantity, rate per unit, minimum order quantities for the products, payment terms and delivery schedule.

The following chart sets forth the end-to-end process for our custom synthesis manufacturing operations:



** NDA is signed only upon specific request from the customers*

Our arrangement typically with our customer, (i) require us to strictly adhere to the technical specifications mentioned therein. Further, certain of arrangement require the customers to provide a non-binding forecast indicating the quantities of the product they intend to purchase for a particular period.

Customers

We have recently undertaken custom manufacturing and as on date the products have not been monetized.

Manufacturing Facility

We operate through single Manufacturing Facility situated at Survey No.36/2/P2, Near Bharudi Toll plaza, Gondal Road NH27, Sadak Pipaliya, Rajkot, Gujarat. The facility comprises of two separate manufacturing blocks for Pharmaceutical Intermediate and Active Pharmaceutical Ingredient (API) with an aggregate installed production capacity of 400 MTPA along with the facility to store finished goods and raw materials. This unit is equipped with glass-lined and stainless-steel reactors with switch capacities ranging up to 4 kl, along with various filtration, centrifugation and drying system.

Further, our facility is zero liquid discharge facility equipped with an in-house effluent treatment plant for the treatment of water and multi-effect evaporator to treat wastewater.

In addition to the existing operating plant, we aim to expand our manufacturing operations and production capacity. As on the date of this Draft Red Herring Prospectus, we have one manufacturing facility situated at Survey No.36/2/P2, Near Bharudi Toll Plaza, Gondal Road NH27, Sadak Pipaliya 360 311, Rajkot, Gujarat, India for the production of our wide range of Products. Our total installed capacity as of date is 400 MTPA..

We intend to expand our manufacturing operations and production capacity by establishing a new manufacturing plant on Company's owned freehold industrial land situated at survey number 42/1//p2/p2 Village Pipaliya ,Tal Gondal,Dist. Rajkot, Gujarat, India, admeasuring 4,958 sq.mts.
The said land is Company's owned industrial freehold land and is approximately at a distance of within 400 meters from the present Manufacturing Facility.

The proposed new manufacturing plant shall be with an intermediate block and API block having an installed capacity of 700 MTPA, thus increasing the total production capacity. We propose to utilize the additional capacity for manufacturing a range of existing as well as new Pharma Intermediaries and APIs. For further details, see "***Our Business - Our Strategies"*** and "***Objects of the Offer***" on page 193 and 106.

Capacity Utilization

The following table sets forth certain information relating to our installed operating capacity and capacity utilization for our Manufacturing Facility for the years indicated**:**

Particular	**For Period ending June 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Installed Capacity (*in MTPA*)	**Capacity utilization as % of installed capacity**	**Installed Capacity (*in MTPA*)**	**Capacity utilization as % of installed capacity**	**Installed Capacity (*in MTPA*)**	**Capacity utilization as % of installed capacity**	**Installed Capacity (*in MTPA*)**	**Capacity utilization as % of installed capacity**
Manufacturing Facility	400	38.5%#	400	38.25%	400	79%	400	53.50%

#Not Annualized and is only reflecting the capacity utilized for quarter ending June 30, 2024
**As certified by independent chartered engineer certificate dated February 12, 2025*

Plant & Machinery

The plant & machinery at our Manufacturing Facility majorly include S.S. reactors, Glass Line Reactors, Crystallizer, Centrifugation system, Tray Dryer, Vacuum Tray Dryer, Fluid Bed Dryer, Rotory Cone Vacuum Dryer, Boiler, Vibro Shifter, Multimill, Blender, Sparkler Filter, Scrubber, Demineralization water treatment plant, Cooling Tower, Reverse Osmosis plant, Water Vacuum Ejector, Evaporator, Pulveriser, and other supporting machinery and equipment etc. As we are Zero Liquid Discharge (ZLD) Facility, we have in-house Effluent Treatment Plant (ETP) and Multi-effect Evaporator (MEE), Stripper and Agitated Thin Film Dryer (ATFD).

The table set forth below details the major equipment of the Company:

Production Department Equipment List (Pharma Intermediate block)

Sr No.	Equipment	No.
1	Stainless steel reactor	11
2	Glass lined reactor	09
3	SS HVD unit	01
4	Centrifuge	06
5	Vacuum Tray Dryer	01
6	Fluid Bed Dryer	03
7	Sparkler Filter	03
8	Multimill	01
9	Sifter	02
10	Blender	01
11	Nutsche Filter	03
12	Weighing Balance	02

As certified by Chartered Engineer vide installation certificated dated September 9, 2024

Production Department - Equipment List (API Block-A)

Sr No.	Equipment	No.
1	Glass lined reactor	01
2	Centrifuge	01
3	Fluid Bed Dryer	01
4	Rotatory Vacuum Dryer	01
5	Multimill	01
6	Sifter	01
7	Blender	01
8	Weighing Balance	01

As certified by Chartered Engineer vide installation certificated dated September 9, 2024.

Production Department - Equipment List (API Block-B)

Sr No.	Equipment	No.
1	Stainless steel reactor	01
2	Centrifuge	01
3	Vacuum Tray Dryer	01
4	Fluid Bed Dryer	01
5	Multimill	01
6	Sifter	01
7	Blender	01
8	Weighing Balance	01

As certified by Chartered Engineer vide installation certificated dated September 9, 2024

Common Utility - Equipment List

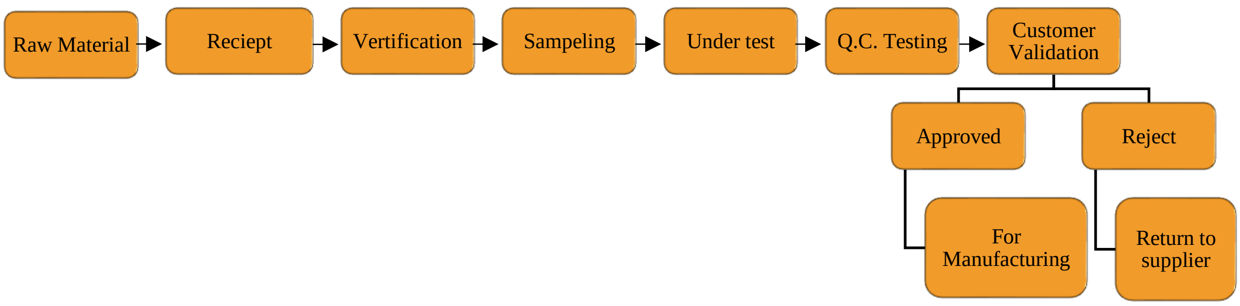
Sr No.	Equipment Name	No.
1	Brine Chiller (-20°C)	01
2	Water Chiller	01
3	Cooling Tower	05
4	Air Compressor	01
5	Nitrogen Plant	01
6	Vacuum Pump	06
7	Thermic Fluid Heater System	01
8	Steam Boiler	01
9	RO System	01
10	Purified Water Plant	01
11	Heating, Ventilation & Air Conditioning system	05
12	Air Handling Unit	02
13	Multiple effect evaporator (M.E.E)	01
14	Effluents Treatment plant (E.T.P)	01
15	Scrubber system	02
16	PP Vacuum System	01
17	Softener Plant	01

As certified by Chartered Engineer vide installation certificated dated September 9, 2024.

Procurement and Raw Materials

The primary raw materials essential to the manufacturing Pharmaceutical Intermediate and Active Pharmaceutical Ingredient (API) are solvents, reagents, reactants, catalyst, etc. which are majorly procured from domestic vendors on a purchase order basis. We usually do not enter into long-term supply contracts with any of our raw material suppliers. However, our relationship with our customers and repeat business from them has also allowed us to develop a long-standing relationship with various raw materials suppliers. Pricing and production volumes are negotiated for each purchase order. There are no contractual commitments other than those set forth in the purchase orders. The purchase price of our raw materials generally follows market prices.

On receipt of the raw materials, our quality control team tests the materials and after such testing of the materials, the quality control department confirms whether the material is to be approved or rejected. Upon approval, the raw materials are stored on-site at our Manufacturing Facility.



The table set forth below are expenses incurred toward supply of material to our top ten (10) supplier;

(₹ in lakhs except for percentages)

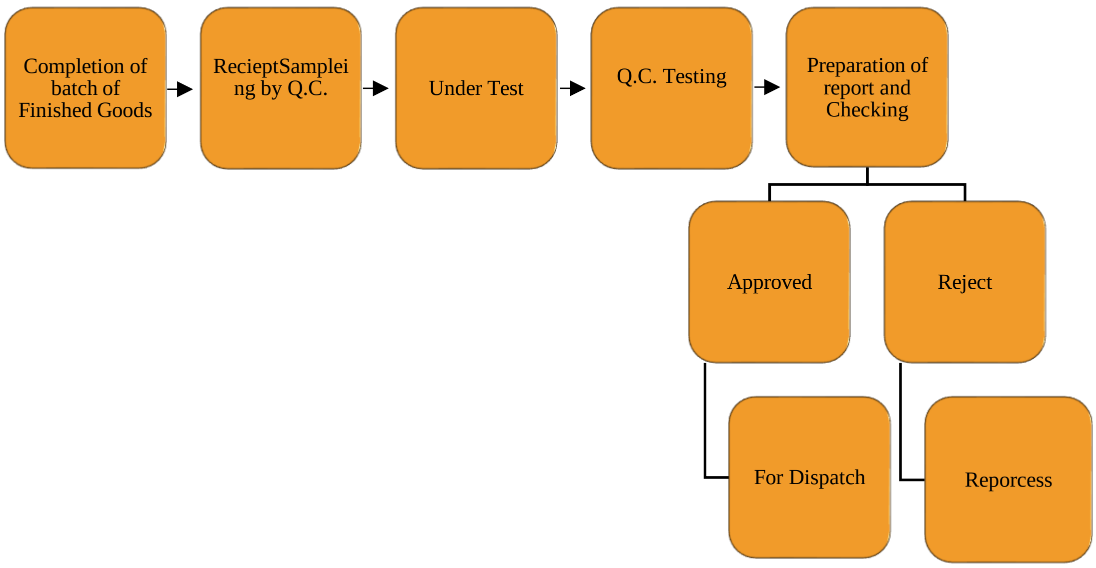
Period	Total Purchase of Raw Material and Consumable	Materials Purchase from top 10 suppliers	Material Purchase from our top 10 suppliers (in %) to total purchase
For ten months period ended January 31, 2025	5,602.24	5,031.27	90.13
Fiscal 2024	4,871.31	2,721.15	55.86%
Fiscal 2023	8,843.06	4,054.11	45.85%
Fiscal 2022	4,871.10	2,662.08	54.65%

As certified by Statutory Auditor by way of their certificate dated February 17, 2025

Inventory Management

Our finished products and raw materials are stored at our on-site at our Manufacturing Facility. We typically keep inventory of raw materials and work in progress at our facility to mitigate the risk of raw material price movements, whereas the finished goods are in stock only for a period of shorter period. These inventory levels are planned based on existing and expected orders, which we anticipate due to our relationships with customers

Flow Chart - Finished Products Inspection



Logistics

We transport our raw materials and our finished products by air, road and sea. Depending on the terms of supply, the raw material is delivered by our suppliers on to pay or paid basis or we rely on third party logistic companies and freight forwarders for the delivery of our raw materials. Depending on the terms of sales, we also rely on third party logistic companies to deliver our finished products on a pay or paid basis. For exports, we majorly use waterways for transportation and logistics. We sell our finished products on a cost, insurance and freight basis (CIF) or freight on board basis (FOB). Our freight forwarders co-ordinate with the shipping line to file and release the necessary bills of lading or waybills. We do not have formal contractual relationships with such logistic companies and freight forwarders. The pricing for freight is based on a periodic rate contract from such third-party logistic companies and freight forwarders.

On receipt of the raw materials, our personnel employed in quality control facility test the materials and after such testing and performance trial of the materials, they confirm whether the material is to be approved or rejected. The unloading of the raw materials in our Manufacturing Facility is always done under supervision of the personnel.

Production Management

Our production and inventory levels of our finished products are planned on a monthly basis based on the order received from our customers, inquiries received, open orders and our demand anticipation for regular products. We make periodic adjustments to the production schedule and volumes, as required. We closely supervise our daily production and aim to maintain suitable inventory levels of raw materials and finished goods at each of our Manufacturing Facility.

Pricing

We determine the prices for our Pharma Intermediate and Active Pharmaceutical Ingredients based on various parameters, including market demand, transportation costs, cost of raw materials, supply time and credit terms. Further, the final sale price is typically pre-determined before release of purchase order by our customers. Pricing details are typically stated in USD/INR per unit in the purchase orders, as applicable.

Utilities

As part of our manufacturing operations, we require a steady and abundant supply of power and steam. Our Manufacturing Facility has sanctioned a load of 500 KVA from local state power grid, Paschim Gujarat Vij Company Limited (PGVCL). We also maintain diesel generators set at our facility, as a precaution against any disruption in power supply. We use briquettes as fuel for our boiler for generating steam in our Manufacturing Facility. We use water from local municipal corporation for meeting our water supply requirements of our Manufacturing Facility. We have also installed a RO plant and demineralized water plant at our Manufacturing Facility.

Sales and Marketing

Our business operations and products primarily cater to the business-to-business segment. We maintain direct contact with our customers and also serve customers through third party dealers and distributors, which allows us to understand the technical needs and specifications of our customers as well as their future requirements.

Our marketing activity are undertaken by our Promoters. We are also supported by external consultant for strategizing our marketing and business development. We focus on involving our production planning department to work closely with our customers or prospective customers to design products tailored to meet their specific requirements.

Our Company is a member of FEIO, Rajkot Chambers of Commerce & Industry. We also participated in various domestic and international industry specific exhibitions, such as, the Convention on Pharmaceutical Ingredients (CPhI) which helps us in marketing ourselves.

Testing, Quality Control and Quality Assurance

We continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands. Our product development efforts are led by Sagar Senjaria, our Manager – Product Development and are supported team of science graduates and post-graduates who undertakes research, planning and implementing new programs and protocols and overseeing development of new products. All of our four (4) in-house laboratory are operational and are equipped with the necessary equipment and facilities to carry out tests required to develop new products, process optimisation and test our products against the specified industry standards or customer specifications.

Our quality control efforts are headed by Chetan Raiyani who possess ten (10) years of experience in quality assurance & regulatory affairs and oversees regulatory documentation. Our Testing, Quality Control and Quality Assurance department is responsible for developing and implementing quality standards, policies, and procedures to ensure that pharmaceutical products are manufactured and tested in compliance with the customer requirements and conducting regular inspections, audits, or reviews to assess the effectiveness of quality control measures.

We believe that maintaining high standards of quality of our product portfolio is critical to our continuous growth. We have built a processes and systems to cover all areas of our business from manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products. Through our regular internal audits, we ensure that our Manufacturing Facility is in compliance with domestic and international standards in order to produce quality products.

The details of expenses incurred by us towards testing and development and quality control for the period ended January 31, 2025 and for Fiscals 2024, 2023 and 2023, is set out below:

(₹ in lakhs)

Particulars	For ten months period ended January 31, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Expenses towards QC/QA and Testing & Development Personnel	86.86	67.1	50.5	49.7
Other expenses towards QC/QA & Testing & Development	29.81	37.03	35.82	23.81
Total	**116.67**	**104.0**	**86.3**	**73.5**

Our products adhere to global quality standards. Our products go through various quality checks at various stages including random sampling check. Our customers also generally audit and approve our Manufacturing Facility and our manufacturing processes to ensure that we adhere to their quality standards. Our employees undergo training programs designed to update them on latest quality norms and standards.

We ensure quality checks at each stage of our manufacturing process to ensure that the desired quality is achieved. The final product is cleared for dispatch only after the quality control and quality assurance department provide clearances of the batch as per customer specification. To ensure that the products dispatched or sold by our Company is of desired quality, we maintain controlled samples for a period as per ICH Q7 - Good Manufacturing Practice for for every batch which is manufactured and dispatched.

Information Technology

Our information technology ("**IT**") systems are vital to our business. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, maintaining secure enterprise operations through, among others, risk assessment, cybersecurity systems, planning and mitigation policies, and identifying emerging technologies which may be beneficial to our operations. We are currently using Tally Prime with various functions to track procurement, sales, inventory management, taxation management, payments to vendors and receivables from customers. Our Company has entered into annual maintenance contract with third party vendors for managing its IT infrastructure to support our business requirements. We have already procured the SAP for managing all the operation smoothly and likely to be implemented from Fiscal year 2025-26.

Environment, Health and Safety

We are a Zero Liquid Discharge ("**ZLD**") facility. We are subject to central and state laws and government regulations in India, including in relation to environmental, health, safety, and labour welfare. These laws and regulations impose controls on air and water discharge and effluent treatment, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and sale of such products, are subject to numerous laws and regulations in relation to quality, safety and health. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We work to ensure a safe and healthy workplace and provide our employees with the benefits, resources and flexibility to maintain and improve their wellness. In addition, we have also installed firefighting equipment.

Our Company is committed to comply with all applicable legal requirements through continual improvement in the safety, health & environment measures. In order to contribute toward waste management in compliance with Environmental directives, we have obtained membership of various waste management entities for treatment, storage, disposal of waste generated from our Manufacturing Facility.

Human Resources

We place importance on developing our human resources. As of January 31, 2025, we had 105 employees (excluding trainees) and 8 contract workers. A combination of full-time employees and contract personnel gives us flexibility to run our business efficiently. We undertake selective and need-based recruitment to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees.

The following table provides information about our full-time employees on the payroll of the Company, as on January 31, 2025:

Department / Team	Number of Employees & Workers		
	Full-Time Employees	Contract Workers	Total
Production	25	0	25
Testing, QA and QC	37	0	37
Utility	15	4	19
Administration and Human Resources	8	4	12
Secretarial	1	0	1
Purchase, Accounts & Finance	6	0	6
Dispatch/ Store/ Packing	5		5
TOTAL	97	8	105

Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our business and operations.

Competition

Our competition varies by market, geographic areas and type of product. As a result, to remain competitive in our markets, we need to continuously strive to develop new products and expand our product portfolio, enlarge manufacturing capabilities, enter new geographies, reduce costs of production and improve our operating efficiencies. We compete primarily on the basis of market, therapeutic area and product category, product quality and cost. We face competition primarily from domestic and international companies.

To stay ahead of our competitors, we strive to regularly upgrade our equipment and technology for our manufacturing facility. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins. We continuously seek new product registrations and other approvals from regulatory authorities to increase our product offerings. For details, see "***Risk Factor - We face competition from both domestic as well as multinational corporations and our inability to compete effectively could result in the loss of customers, hence, our market share, which could have an adverse effect on our business, results of operations, financial condition and future prospects***" on page 47.

Insurance

Our operations are subject to hazards inherent in manufacturing facility such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangement.

We maintain insurance policies that are customary for companies operating in our industry. Our principal types of coverage include insurance policy such as public liability policy, workmen's compensation policy, boiler & pressure vessel policy, fire policy. We have also maintained insurance policies for our vehicles.

These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies. Set forth below are the major policies obtained by us.

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
L0239754	Public Liability Insurance Act	August 23, 2024 to August 22, 2025	A public liability insurance policy is a type of insurance policy that provides cover for any physical injury as well as property damage caused to the third party for which the policyholder is responsible.	Future General Insurance	₹15 Cr.
2250026858	Workmen's Compensation Policy	February 1, 2025 to January 31, 2026	The Workmen's Compensation policy enables the employer to pay the compensation to the employees or for their family in case of death or bodily injury (permanent partial disablement / permanent total disablement / temporary disablement) caused due to injury and accident at workplace	Tata AIG General Insurance Co. Ltd.	₹75 Cr.
211200442452 00000006	Boiler & Pressure Vessel Policy	February 6, 2025 to February	Boiler and boiler related pressure vessel insurance	The New India Assurance Co. Ltd.	₹11.5 Lacs
211200112301 00000000	Fire Policy	June 14, 2024 to June 13, 2025	Policy covers building, material, instrument and machinery from fire, blast, earthquake, storm, tempest, flood, and inundation	The New India Assurance Co. Ltd.	₹62 Cr.

For details relating to risk with respect to insurance, see "***Risk Factor - Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows***" on page 49.

Corporate Social Responsibility

As part of our Corporate Social Responsibility ("**CSR**"), we intend to take appropriate steps towards promotion of education. We have constituted a CSR committee as per the applicable laws. We have aligned our CSR programs with legal requirements under the applicable Indian laws. For details, See "***Our Management – CSR Committee***" on page 228.

Intellectual Property

As on date of this Draft Red Herring Prospectus, our Company is not the registered owner of logo and the trademark that we are using and has made application for registration of our trademarks including our logo with the Registrar of Trademarks under the Trademarks Act, 1999 which is at formality check pass status:

Date of Application	Trademark Holder	Trademark Application Number	Class	Trademark	Status
June 11, 2024	Anlon Healthcare Limited	6475647 and 6475648	1 and 5	anlon	Formality Check Pass

For details, see "***Government and Other Approval***" on page 301.

Immovable Property

As on date of this Draft Red Herring Prospectus, our Company uses the following immovable properties:

(₹ in Lakhs)

Address of Premises	Purpose	Date of Purchase/Lease/Period of Lease	Purchased or Leased from	Owned/ Leased	Total Rent/Lease
Survey No.36/2/P2, Near Bharudi Toll Plaza, Gondal Road NH27, Sadak Pipaliya 360311, Rajkot (Gujarat), India	Manufacturing Facility	September 29, 2015	Gordhanbhai B. Vaghasiya and Nagjibhai V. Akvaliya	Owned	N.A.
101/102-Silvercoin Complex, Opp. Crystal Mall, Kalawad Road, Rajkot 360005 (Gujarat), India	Registered Office	November 1, 2013 till cancelled	Anlon Chemical Research Organization*	Free of cost accommodati-on under mutual agreement	NA
Survey No. 36/2/p5, Near Bharudi Toll Plaza, Gondal Road, NH27, Sadak Pipaliya 360311, Rajkot (Gujarat), India	Drum-yard & Storage	March 1, 2024 to March 1, 2029	Kishorbhai D. Bhuva and Mukeshbhai D. Bhuva	Leased	1.00
survey number 42/1//p2/p2. Village pipaliya. Tal, Gondal Dist. Rajkot, Gujarat, admeasuring 4,958 sq.mts	Proposed manufacturing facility under Proposed Expansion	December 24, 2024	Ramaben Bharatbhai Vora	Owned	-

** Anlon Chemical Research Organization has right to cancel the agreement.*

KEY REGULATIONS AND POLICIES

Given below is an indicative summary of certain relevant laws and regulations applicable to our Company. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations.

Key regulations applicable to our Business

Drugs and Cosmetics Act, 1940 (the "Drugs Act"), the Drugs and Cosmetics Rules, 1945 (the "Drugs Rules")

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

The Drugs Rules lay down the functions of the central drugs laboratory established under Section 6 of the Drugs Act. Under the Drugs Rules, an import license is required for importing drugs. The form and manner of application for import license has also been provided under the Drug Rules.

Drugs (Control) Act, 1950 (the "Drugs Control Act")

The Drugs Control Act provides for control of sale, supply, and distribution of drugs. Under the Drugs Act, any drug may be declared by the Central Government by notification to be a drug within its purview. The authorities may also prohibit the disposal or direct the sale of any specified drug.

Narcotic Drugs and Psychotropic Substances Act, 1985 ("Narcotic Act")

The Narcotic Act sets out the statutory framework for drug law enforcement in India. It prohibits, inter alia, the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, transhipment and import and export of narcotic drugs and psychotropic substances, except for medical or scientific purposes. It also controls and regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the Narcotic Act are essentially related to violations of the various prohibitions imposed under the Narcotic Act, punishable by both imprisonment and monetary fines. The Narcotic Act was amended in 1989 to mandate death penalty for second offences relating to contraventions involving more than certain quantities of specified narcotic drugs and psychotropic substances. Subsequently, the Narcotic Act was amended in 2014 to remove restrictions on certain drugs called 'essential narcotic drugs' (narcotic drugs which have been notified for medical and scientific use) and to improve treatment and care for people dependent on drugs.

Drugs, Medical Devices and Cosmetics Bill, 2022 (the "Drugs Bill, 2022")

In July 2022, the Ministry of Health and Family Welfare, Government of India, released a draft of the Drugs Bill, 2022. The Drugs Bill, 2022 is proposed to amend and consolidate the laws relating to, inter alia, import, manufacture, distribution and sale of drugs and medical devices and cosmetics as well as the law relating clinical trials of new drugs and clinical investigation of investigational medical devices. The Drugs Bill, 2022 lays down the standards of the quality of imported drugs and cosmetics and circumstances under which these would be deemed to be adulterated, spurious and misbranded. Under the Drugs Bill, 2022, the central government has the power to prohibit or restrict or regulate the import of drugs and cosmetics in public interest including to meet the requirements of an emergency arising due to epidemic or natural calamities. Further, it lays down the standards of quality for manufacture, sale and distribution of drugs and cosmetics and clinical trial of drugs. The Drugs Bill, 2022 also proposes establishment of several boards and committees to assist and advise the Central and State Governments in the administration and regulation of drugs, cosmetics and medical devices.

While the Ministry of Health and Family Welfare, Government of India, had intended to table the Drugs, Medical Devices and Cosmetics Bill, 2023 ("**Drugs Bill, 2023**") in the Parliament in its Monsoon session this year, the same was, eventually, not tabled. The Drugs Bill, 2023 sought to repeal the Drugs Act. It also sought to regulate the import, manufacture, distribution and sale of drugs, medical devices, and cosmetics, and provide for regulatory standards to ensure their quality, safety, efficacy and performance.

Cosmetics Rules, 2020 (the "Cosmetic Rules")

The Cosmetic Rules, notified under the DCA, provides that no cosmetic shall be imported into India unless the product has been registered in accordance with these rules by the central licensing authority i.e., the Drugs Controller General of India, appointed by the Central Government. Further, any person who intends to manufacture cosmetics shall make an application for grant of a license or loan license to manufacture for sale or for distribution to the state licensing authority. Also, it needs to be ensured that if cosmetics are manufactured at more than one premises, a separate license is obtained for each such premises. Under the Cosmetic Rules, each batch of the raw materials used for manufacturing the cosmetics, and also each batch of the final product is required to be tested and the records or registers showing the particulars in respect of such tests is required to be maintained. The Cosmetic Rules further prescribes the labelling and packaging requirements to be followed for sale or distribution of cosmetics of Indian origin.

The Essential Commodities Act, 1955 ("ECA")

The ECA empowers the Central Government to control the production, supply and distribution of, and trade and commerce in, certain essential commodities, including drugs as defined under the Drugs and Cosmetics Act, 1940, for maintaining or increasing their supply, 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. The Central Government is empowered to issue orders for regulating, amongst others, the production, storage, transport, disposal, distribution, acquisition, use or consumption of any essential commodity. The ECA prescribes penalties, including fine or imprisonment or both, for the contravention of its provisions.

The Food Safety and Standards Act, 2006 ("FSSA")

The FSSA was enacted on August 23, 2006 with a view to consolidating the laws relating to food, including nutraceuticals, and to establish the Food Safety and Standards Authority of India ("Food Authority"), for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the Government of India and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers and powers and procedures relating to adjudication by the Food Safety Appellate Tribunal. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 ("**FSSR**") which have been operative since August 5, 2011. The FSSA provides the procedure for registration and licensing process for food business and the Food Safety & Standards (Food Products Standards and Food Additives) Regulations, 2011 lays down detailed standards for various food products. The FSSA also sets out the enforcement structure of 'commissioner of food safety', 'food safety officer' and 'food analyst' and procedures of taking extracts of documents, and seizure, sampling and analysis of food.

The Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. The Petroleum Act provides that no one shall import, transport, or store any petroleum and produce, refine or blend petroleum save in accordance with the rules made the Petroleum Act. Section 23 provides the penalty for contravention of the Petroleum Act and the Petroleum Rules. The Petroleum Rules lay down rules in relation to inter alia restriction on delivery and dispatch of petroleum, importation of petroleum, and transportation of petroleum.

The Indian Boilers Act, 1923 (the "Boilers Act") and the Indian Boiler Regulations, 1950 (the "Boilers Regulations"

The Boilers Act inter alia provides that no owner of a boiler shall use the boiler or permit it to be used unless it has been registered in accordance with the provisions of this Boilers Act. Under the Boilers Act, "boiler" means a pressure vessel in which steam is generated for use external to itself by application of heat which is wholly or partly under pressure when steam is shut off. The Boilers Act also provides for penalties for illegal use of boilers, penalty for breach of rules and other penalties. The Boilers Regulations provide for inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

Legal Metrology Act, 2009 (the "LM Act") and the Legal Metrology (Packaged Commodities) Rules, 2011 (the "LM Rules")

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodities shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

The Explosives Act, 1884 ("Explosives Act") and the Rules thereunder

The Explosives Act is a comprehensive law which regulates by licensing the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, "explosive" means inter alia any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of the Explosives Act, the Central Government has notified the Explosive Rules and other related rules like Gas Cylinder Rules, 2016, Static and Mobile Pressure Vessels (Unfired) Rules, 2016 in order to regulate the manufacture, import, export, transport and possession for sale or use of explosives etc.

The Chemical Accidents (Emergency Planning, Preparedness, and Response) Rules, 1996 (the "Chemical Accident Rules")

The Chemical Accidents Rules formulated pursuant to the provisions of the EP Act, seek to manage the occurrence of chemical accidents, by inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of 'hazardous substances' covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to obtain an insurance policy insuring against liability under the Public Liability Act. The rules made under the Public Liability Act mandate that the owner has to contribute towards the Environment Relief Fund, a sum equal to the premium payable to the insurer under the insurance policies.

The Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 ("MSIHC Rules")

The MSIHC Rules stipulate that an occupier in control of an industrial activity has to provide evidence to show that he has identified the major accident hazards and taken adequate steps to prevent such major accidents and to limit their consequences to persons and the environment. Further, the occupier has an obligation to show that he has provided necessary information, training and equipment, including antidotes, to the persons working on the site to ensure their safety. Also, the occupier is under an obligation to notify the concerned authority of the occurrence of a major accident upon the site or pipeline within 48 hours of such accident

Environment Regulations

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("PCBs"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state and in the Centre. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are required to be periodically renewed.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State Pollution Control Board ("State PCB"). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

Environment Protection Act, 1986 ("EPA")

The EPA has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the Act, including the power to direct the closure, prohibition or regulation of any industry, operation or process.

Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Waste Rules")

The Hazardous Waste Rules define the term "hazardous waste" and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous waste is classified as an "occupier". In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective state pollution control board for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste.

Laws relating to Intellectual Property

The Trademarks Act, 1999 ("**Trademarks Act**"), the Copyright Act, 1957 ("**Copyright Act**"), and the Patents Act, 1970 ("**Patents Act**"), are the three main statutes governing intellectual property protection in India.

The Trademarks Act, 1999 ("Trademarks Act")

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

The Patents Act, 1970

The Patents Act, 1970 governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights ("**TRIPS**"); Under the Indian Patents Act, 1970 (the "**Patent Act**") term invention means a new product or process involving an inventive step capable of industrial application. A patent under the Patent Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act, 1970 provides for the following:

- Recognition of product patents in respect of food, medicine and drugs;
- Patent protection period of 20 years;
- Patent protections allowed on imported products; and
- Under certain circumstances, the burden of proof in case of infringement of process patents may be transferredto the alleged infringer.

The Patents (Amendment) Act, 2005 has made certain changes to the Patents Act, 1970 ("Patents Act"). The definition of inventive step in the Patents Act has been amended to exclude incremental improvements or ever greening of patents. Now, (a) an inventive step must involve a technical advance as compared to the existing knowledge or must have economic significance or both, and (b) the invention must be non-obvious to a person skilled in the art. Section 3(d) of the Patents Act has been amended to exclude the following from the definition of patents:

- the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance, or
- The mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant.

The Copyright Act, 1957 ("Copyright Act")

The Copyright Act governs copyrights subsisting in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings, including computer programmes, tables and compilations including computer databases. Software, both in source and object code, constitutes a literary work under Indian law and isafforded copyright protection and the owner of such software becomes entitled to protect his works against unauthorised use and misappropriation of the copyrighted work or a substantial part thereof. Any act of this nature entitles the copyright owner to obtain relief from a court of law including injunction, damages and accounts of profits. Further, copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work and once registered, copyright protection remains valid until expiry of sixty years from the demise of the author. Reproduction of a copyrighted software for sale or hire or commercial rental, offer for sale or commercial rental, issuing copy(is) of the computer programme or making an adaptation of the work without consent of the copyright owner amount to infringement of the copyright. However, the Copyright Act prescribes certain fair use exceptions which permit certain acts, which would otherwise be considered copyright infringement.

Laws relating to Consumer Protection

The Consumer Protection Act, 2019 ("**COPRA 2019**") repealed the Consumer Protection Act, 1986 and provides for protection of the interests of consumers and for the said purpose, to establish authorities for timely and effective administration and settlement of consumers' disputes. It establishes consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In cases of misleading or false advertisements, the penalty under the COPRA 2019 provide of imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

Laws relating to Taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company including Central Goods and Service Tax Act, 2017, Central Goods and Service Tax Rules, 2017, and various state-wise legislations made thereunder; Integrated Goods and Services Tax Act, 2017; Central Sales Tax Act, 1956 and various state-wise legislations made thereunder; Income Tax Act 1961, Income Tax Rules, 1962, as amended by the Finance Act in respective years; Customs Act, 1962; Importer exporter code; Indian Stamp Act, 1899 and various state-wise legislations made thereunder; and State-wise legislations in relation to professional tax.

Labour Law legislations

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exists, such 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 records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

The Factories Act, 1948 ("Factories Act")

The Factories Act defines a "factory" to cover any premises which employs or has employed ten or more workers on any day in the previous twelve months and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers on any day in the previous twelve months even though there is no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

Foreign Investment Regulations

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion ("**FDI Policy**"), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e., direct foreign investment and indirect foreign investment) in an Indian company.

Other labour laws

In addition to aforementioned material legislations, certain labour laws which may be applicable to our Company due to the nature of the business activities are Contract Labour (Regulation and Abolition) Act, 1970; Payment of Wages Act, 1936; Payment of Bonus Act, 1965; Employees' State Insurance Act, 1948; Employees' Provident Funds and Miscellaneous Provisions Act, 1952; Equal Remuneration Act, 1976; Payment of Gratuity Act, 1972; Minimum Wages Act, 1948; Employee's Compensation Act, 1923; and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes*:

a) Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b) Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes received the assent of the President of India on September 28, 2020. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c) Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's Compensation Act, 1923, Employee's 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. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

d) Occupational Safety, Health and Working Conditions Code, 2020*, which amends and subsumes certain existing legislations, including Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

**The Occupational Safety, Health and Working Conditions Code, 2020, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Code on Wages, 2019 have received the President's assent, and will come into force at a date notified by the Central Government. With respect to Code on Wages, 2019, certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020. Further, through a notification dated March 01, 2021 the Ministry of Labour and Employment has issued the Code on Wages (Central Advisory Board) Rules, 2021 which shall come into force on the date of their publication in the Official Gazette. With respect to Code on Social Security, 2020, certain provisions of this code pertaining to application of Aadhar number, Employees' Pension Scheme, 1995 and Employees' Provident Funds and Miscellaneous Provisions Act 1952, have been brought into force by the Ministry of Labour and Employment through notifications dated April 30, 2021 and May 03, 2023.*

Other Legislations

In addition to the above, our company is also compliant with the provisions of the Companies Act, 2013 and the relevant rules, regulations, and orders framed thereunder, Competition Act, the Arbitration and Conciliation Act, 1996, Indian Contract Act, 1872, Sale of Goods Act, 1930, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as 'Anlon Ventures Private Limited', a private limited company under the erstwhile Companies Act, 1956, pursuant to a certificate of incorporation dated November 19, 2013 issued by the RoC. The name of our Company was changed from 'Anlon Ventures Private Limited' to 'Anlon Healthcare Private Limited' and a fresh certificate of incorporation dated May 27, 2015 was issued by the RoC. Our Company was subsequently converted to a public limited company and the name of our Company was changed from 'Anlon Healthcare Private Limited' to 'Anlon Healthcare Limited' and a fresh certificate of incorporation dated September 2, 2024 was issued by the RoC.

Our Company was incorporated in the year 2013 as 'Anlon Ventures Private Limited'. In the year 2015, our Company changed its name to Anlon Healthcare Private Limited and decided to establish its own manufacturing facility for manufacturing of pharmaceutical intermediates and APIs. Following this decision, our company began the process of land procurement, construction, and installation of plant and machinery, which were completed in the year 2017. Year 2017 onwards, we started our trial production of pharma intermediates and APIs.

Changes in the Registered Office

There has been no change in the registered office of our Company since the date of incorporation.

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

To carry on in India or elsewhere business as manufacturers, producers, processors, makers, converters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indentures, packers, movers, preservers, stockiest, agents, sub-agents, C & F agent, merchants, distributors, consignors, consultants, liaisoner, jobbers, brokers, concessionaires or otherwise deal in all kinds, specification, strengths of pharmaceuticals in all its branches, tonics, vitamins, balm, balsa, ointments, plasters, adhesives, Glucose, Thermometers, Stethoscope, Antibiotics, Bulk drugs, medicines, chemicals, spirits, mixtures, tonics, pigments, powders, tablets, pills, capsules, injections, oils, compounds, mother tincture, Syringes, needles, globules, creams, scents, soaps, lotions, toilet goods, vaccines, medical gases, diagnostic agents, surgical & non surgical articles, A.P.I, Drugs Intermediates, medical, Pharmaceutical Chemicals, preparations and compound drugs and formulation, and all kinds of pharmaceutical, cosmetic and medical and healthcare preparations required or used in any branch or branches of medical science including homeopathic, allopathic, ayurvedic, herbal, unani, biochemical, dentistry, osteopathy, veterinary or naturopathic or any other medical system or branch of medical science whether for human, animal, birds or insects and for the use of hospital, patients, medical practitioners or other customers for whatever purposes and to carry out medical research by engaging in the research and development of all field of medical science, and in therapies of medical treatment.

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association for the past ten years of our Company till the date of this Draft Red Herring Prospectus.

Date of Shareholder's resolution/ Effective date	Particulars
May 27, 2015	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from 'Anlon Ventures Private Limited' to 'Anlon Healthcare Private Limited' pursuant to change of name of our Company.

Date of Shareholder's resolution/ Effective date	Particulars
December 1, 2015	Increase in the authorized share capital of our Company from ₹5,00,000 (rupees five lakh) consisting of 50,000 (fifty thousand) Equity Shares of ₹10 each to ₹7,00,000 (rupees seven lakhs) consisting of 70,000 (seventy thousand) Equity Shares of ₹10 each.
November 6, 2016	Increase of the authorized share capital of our Company from ₹7,00,000 (rupees seven lakh) consisting of 70,000 (seventy thousand) Equity Shares of ₹10 each to ₹4,00,00,000 (rupees four crores) consisting of 40,00,000 (forty lakh) Equity Shares of ₹10 each.
April 1, 2017	Increase of the authorized share capital of our Company from ₹4,00,00,000 (rupees four crores) consisting of 40,00,000 (forty lakh) Equity Shares of ₹10 each to ₹8,00,00,000 (rupees eight cores) consisting of 80,00,000 (eighty lakh) Equity Shares of ₹10 each.
June 18, 2018	Increase of the authorized share capital of our Company from ₹8,00,00,000 (rupees eight cores) consisting of 80,00,000 (eighty lakh) Equity Shares of ₹10 each to ₹8,80,00,000 (rupees eight cores eighty lakh) consisting of 88,00,000 (eighty-eight lakh) Equity Shares of ₹10 each.
November 15, 2018	Increase of the authorized share capital of our Company from ₹8,80,00,000 (rupees eight cores eighty lakh) consisting of 88,00,000 (eighty-eight lakh) Equity Shares of ₹10 each to ₹15,00,00,000 (rupees fifteen cores) consisting of 1,50,00,000 (one crore fifty lakhs) Equity Shares of ₹10 each.
July 31, 2023	Increase of the authorized share capital of our Company from ₹15,00,00,000 (rupees fifteen cores) consisting of 1,50,00,000 (one crore fifty lakhs) Equity Shares of ₹10 each to ₹16,00,00,000 (rupees sixteen cores) consisting of 1,60,00,000 (one crore sixty lakhs) Equity Shares of ₹10 each.
June 20, 2024	Increase of the authorized share capital of our Company from ₹16,00,00,000 (rupees sixteen cores) consisting of 1,60,00,000 (one crore sixty lakhs) Equity Shares of ₹10 each to ₹55,00,00,000 (rupees fifty-five cores) consisting of 5,50,00,000 (five crore fifty lakhs) Equity Shares of ₹10 each.
August 03, 2024	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from 'Anlon Healthcare Private Limited' to 'Anlon Healthcare Limited', pursuant to conversion of our Company from private limited to public limited.

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Events
2013	Incorporated as 'Anlon Ventures Private Limited'
2015	Change of name from 'Anlon Ventures Private Limited' to 'Anlon Healthcare Private Limited'.
2017	Received ISO 9001:2015 certification
2018	Commenced commercial Production of Pharma Intermediate and API
2018	Made our first export of our product to South Korea
2019	Received Good Manufacturing Practice certification for our Manufacturing Facility
	Received accreditation of Foreign Manufacturer from Pharmaceuticals and Medical Devices Agency, Japan
2021	Received Good Manufacturing Practice – World Health Organization Certification for our Manufacturing Facility
2024	Received approval for Drug Master File from Brazilian Health Regulatory Agency for our API product namely, loxoprofen sodium dihydrate
2024	Conversion of our Company from private limited to public limited and the consequent change of name from 'Anlon Healthcare Private Limited' to 'Anlon Healthcare Limited'.

For details, see "***Our Business***" on page 183.

Significant financial and strategic partnerships

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Time/cost overrun

There has been no time or cost over-run in respect of our business operations.

Capacity/facility creation, location of facilities

For details regarding capacity and locations of our Manufacturing Facility, see "***Our Business***" on page 183.

Launch of key products or services, entry into new geographies or exit from existing

For details of key products launched by our Company, entry into new geographies or exit from existing markets, see "***Our Business***" on page 183.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years.

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Shareholders Agreement and other agreements

As on date of this Draft Red Herring Prospectus, our Company is not party to any shareholder's agreements or other agreements other than in the ordinary course of business.

Other confirmations

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus. Further, other than as disclosed above, there are no other agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature to which the Company or any of its Promoters or Shareholders are a party.

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Issue or this Draft Red Herring Prospectus.

None of the Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

Except as disclosed in the "***Restated Financial Statements – Annexure VIII: Related Party Transactions***" on page 274, none of our Directors, Key Managerial Personnel or Senior Management have any conflict of interest with the suppliers of raw materials, third party manufacturers or third-party logistics providers, crucial for operations of our Company.

Except as disclosed in the "***Restated Financial Statements – Annexure VIII: Related Party Transactions***" on page 274, none of our Directors, Key Managerial Personnel or Senior Management have any conflict of interest with any lessor of the immovable properties leased to our Company, crucial for operations of our Company.

Details of guarantees given to third parties by our Promoters offering their Equity Shares in the offer for sale

This is a fresh issue of Equity Shares and our Promoters are not offering their Equity Shares in the Issue.

Other material agreements

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business of our Company.

Agreements with our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters or any other employee

As of the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Directors or the Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of Special Rights

There are no special rights available to any shareholder of our Company or any other person.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As of the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary company.

Joint Venture of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any Joint Venture.

OUR MANAGEMENT

Board of Directors

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, we have six (6) Directors on our Board, comprising of two (2) Executive Directors, four (4) Non-Executive Directors (including one (1) woman director non-independent and three (3) Independent Directors). The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board of Directors, as on the date of this Draft Red Herring Prospectus:

Name, Designation, Date of Birth, Age, Address, Occupation, Period of Directorship, Current Term and DIN	Designation	Other Directorships
Punitkumar R. Rasadia ***Date of birth:*** August 19, 1985 ***Age (Years):*** *39* ***Address:*** The Temple Wing A 402, Near Arjun Party Plot, New Ring Road, Rajkot – 360 005, Gujarat, India ***Occupation:*** Business ***Period of Directorship:*** Since November 19, 2013 ***Term:*** From July 15, 2024 till July 14, 2029 ***DIN:*** 06696258	Chairman and Managing Director	*Indian Companies* 1. Anlon Lifescience Private Limited; 2. Advintel Medicare Private Limited *Limited Liability Partnership* *Nil* *Foreign Companies* Nil
Meet Atulkumar Vachhani ***Date of birth:*** April 25, 1980 ***Age (Years):*** *44* ***Address:*** Block No. – 113, Janakpuri Society, University Road, Sadhu Vasvani Road, Rajkot – 360 005, Gujarat, India ***Occupation:*** Business ***Period of Directorship:*** Since November 19, 2013 ***Term:*** From July 15, 2024 till July 14, 2029 ***DIN:*** 06695053	Whole-time Executive Director	*Indian Companies* 1. Anlon Lifescience Private Limited 2. Advintel Medicare Private Limited *Limited Liability Partnership* Nil *Foreign Companies* Nil
Mamata Punitkumar Rasadia ***Date of birth:*** January 09, 1987	Non-Executive Non-Independent Director	*Indian Companies* Nil

Name, Designation, Date of Birth, Age, Address, Occupation, Period of Directorship, Current Term and DIN	Designation	Other Directorships
Age (Years): *38* ***Address:*** The Temple Wing-A 402, New Ring Road, Near Arjun Party Plot, Rajkot, Gujarat – 360005 ***Occupation:*** Homemaker ***Period of Directorship:*** Since July 15, 2024 ***Term:*** Liable to retire by rotation ***DIN:*** 10689587		*Limited Liability Partnership* Nil *Foreign Companies* Nil
Kannepalli Krishna Murty ***Date of birth:*** May 03, 1956 ***Age (Years):*** *68* ***Address:*** A-603, Prerna Shikhar, Beside Bodakdev Fire Station, Bodakdev, Ahmedabad City, Ahmedabad – 380054, Gujarat, India ***Occupation:*** Professional ***Period of Directorship:*** Since August 03, 2024 ***Term:*** From August 3, 2024 till August 2, 2029, not liable to retire by rotation ***DIN:*** 10690721	Non-Executive Independent Director	*Indian Companies* Nil *Limited Liability Partnership* Nil *Foreign Companies* Nil
Shailesh Kantilal Thakkar ***Date of birth:*** October 30, 1960 ***Age (Years):*** 64 ***Address:*** Shree Ram Park, Near Siddhnath Mahadev Temple, University Road, Rajkot – 360 005, Gujarat, India ***Occupation:*** Business ***Period of Directorship:*** Since August 3, 2024 ***Term:*** August 3, 2024 till August 2, 2029, not liable to retire by rotation ***DIN:*** 00294480	Non-Executive Independent Director	*Indian Companies* 1. Remember India Medicos Private Limited *Limited Liability Partnership* Nil *Foreign Companies* Nil
Anandbhai Natwerlal Katkoria ***Date of birth:*** February 17, 1956	Non-Executive Independent Director	*Indian Companies* Nil

Name, Designation, Date of Birth, Age, Address, Occupation, Period of Directorship, Current Term and DIN	Designation	Other Directorships
Age (Years):69 ***Address:*** Plot No. 7/B, New College Wadi Main Road, Kalawad Road, Near K.K.V. Hall, Rajkot – 360 005, Gujarat, India ***Occupation:*** *Retired Bank officer* ***Period of Directorship:*** Since August 03, 2024 ***Term:*** August 3, 2024 till August 2, 2029, not liable to retire by rotation ***DIN:*** 10728186		*Limited Liability Partnership* Nil *Foreign Companies* Nil

Brief Profiles of our Directors (Qualifications and experience)

Punitkumar R. Rasadia is the Chairman and Managing Director of our Company and has been associated with our Company since its incorporation. He has completed the degree of Master of Science in Industrial Chemistry from Sir PP Institute of Science, Bhavnagar. He has over 11 years of experience in the pharmaceutical industry, and he has a deep understanding of sourcing and supplying of specialty chemicals, intermediates, API, bulk drugs and other pharmaceutical products. His responsibilities include formulating and implementing business strategies, managing company operations, and is also responsible for growth and expansion of our business. His other ventures include Anlon Chemical Research Organization, a partnership firm and Advintel Medicare Private Limited.

Meet Atulkumar Vachhani is the Whole-time Executive Director of our Company and has been associated with our Company since incorporation and is the founding Promoter. He has over 11 years of experience in pharmaceutical industry, he oversees the Company's administration, strategy, finance and sales functions. His responsibilities include formulating and implementing business strategy, managing operations, and driving innovation in our products and services. His other ventures include Anlon Chemical Research Organization, a partnership firm, Advintel Medicare Private Limited and Anlon Lifescience Private Limited.

Mamata Punitkumar Rasadia is a Non-Executive Non-Independent Director and Promoter of our Company and has been associated with our Company since July 15, 2024. She has completed the Degree of Master of Science in Chemistry from the Saurashtra University. She has also completed a Diploma in Pharmacy from the Saurashtra University.

Kannepalli Krishna Murty is a Non-Executive Independent Director of our Company and has been associated with our Company since August 3, 2024. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and is a member of ICAI since September 1996 and holds a certificate of Practice from the Institute of Chartered Accountant of India. He has over 25 years of experience in the field of accountancy.

Shailesh Kantilal Thakkar is a Non-Executive Independent Director of our Company and has been associated with our Company since August 3, 2024. He completed the Degree of Bachelor of Science from Sardar Patel University. He is currently serving as a Director in Remember India Medicos Private Limited. He has over 20 years of experience in the pharmaceuticals, cosmeceutical and nutraceutical industries.

Anandbhai Natwerlal Katkoria is a Non-Executive Independent Director of our Company and has been associated with our Company since August 3, 2024. He is a retired Bank officer, he previously worked with Corporation Bank as a Deputy General Manager. He has over 20 years of experience in the banking sector.

Relationship between our Directors, Key Managerial Personnel or Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other:

Name of the Director	Related to	Relationship
Punitkumar R. Rasadia	Mamata Punitkumar Rasadia	Spouse
	Meet Atulkumar Vachhani	Sister's Spouse

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board or as member of Key Managerial Personnel, Senior Management pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

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.

Confirmations

None of our Directors is or was a director in any listed company / companies whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company / companies, during the five (5) years, immediately preceding the date of filing of this Draft Red Herring Prospectus.

None of our Directors is or was a director in any listed company / companies which has been or was delisted from any stock exchange during the term of their directorship in such company / companies.

None of our Directors have been declared as a '*wilful defaulter or a fraudulent borrower*', as defined under the SEBI ICDR Regulations.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Borrowing Powers of our Board

In accordance with the applicable provisions of the Companies Act and our Articles of Association and pursuant to resolution passed by our shareholders dated September 21, 2024, our Board is authorised to borrow from time to time any sum or sums of money, where the money / monies to be borrowed, together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed the aggregate of our Company's paid-up share capital, free reserves and securities premium, but the total amount that may be borrowed by the Board and outstanding at any point of time shall not exceed ₹25,000 Lakhs (Rupees twenty-five thousand lakhs).

Compensation paid to our Managing Director and / or Whole-time Directors

Punitkumar R. Rasadia*, Chairman and Managing Director*

The following table sets forth the terms of appointment of Punitkumar R Rasadia with effect from July 15, 2024 till July14, 2029:

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Punitkumar R Rasadia shall be entitled to basic salary amounting up to ₹60.00 Lakhs per annum
2.	Other Benefits	-

Sr. No	Particulars	Salary and perquisites
3.	Remuneration paid for FY 2023-24	₹28.00 Lakhs

Meet Atulkumar Vachhani, *Whole-time Director*

The following table sets forth the terms of appointment of Meet Atulkumar Vachhani with effect from July 15, 2024 till July14, 2029:

Sr. No	Particulars	Salary and perquisites
1.	Basic Salary	Meet Atulkumar Vachhani shall be entitled to basic salary amounting up to ₹60.00 Lakhs per annum
2.	Other Benefits	-
3.	Remuneration paid for FY 2023-24	₹14.00 Lakhs

Sitting Fees and commission to our Non-executive Directors and Independent Directors

Pursuant to resolution passed by our Board on July 8, 2024, our Non-executive Independent Directors are entitled to receive a sitting fee of ₹15,000 (rupees fifteen thousand only) for attending each meeting of our Board and ₹15,000 (rupees fifteen thousand only) for attending each committee meeting of our Board.

1. Remuneration paid or payable to our Directors from our Subsidiaries or Associate Companies

Our Company does not have any subsidiaries as on date.

2. Contingent and deferred compensation payable to our Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

3. Details of compensation paid to our Directors pursuant to a bonus or profit-sharing plan

Our Company does not have any bonus or profit-sharing plan for our Directors.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

The table below sets forth details of Equity Shares held by the Directors, as on date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of shares held	Percentage (%)
1	Punitkumar R Rasadia	1,85,92,000	46.65
2	Meet Atulkumar Vachhani	94,08,000	23.61
Total		2,80,00,000	70.26

Interest of our Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them as well as sitting fees, if any, payable to them for attending meetings of our Board or committees thereof, and any commission payable to them.

Our Directors may also be interested to the extent of Equity Shares and to the extent of any dividend payable to them, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

(a) *In the promotion or formation of our Company*

Except our Promoters, none of the Directors have an interest in the promotion or formation of our Company. For further details, please see *"**Promoter and Promoter Group**"* on page 235.

(b) *In land and property acquired or proposed to be acquired of by our Company*

Our Directors do not have any interest in any property acquired or proposed to be acquired of our Company or by our Company except other than as disclosed under the heading titled "***Interest in the Properties of our Company***" under the chapter "***Our Promoters and Promoter Group***" on page 237.

(c) *Interest of our Directors in being a member of a firm or company*

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Changes in our Board during the last three (3) years and reasons

Except as disclosed below, there have been no changes in our Board during the last three (3) years:

Name	Date of Change	Reasons
Punitkumar R Rasadia	July 1, 2024	Change in designation to Managing Director
Meet Atulkumar Vachhani	July 1, 2024	Change in designation to Whole Time Director
Kannepalli Krishna Murty	August 3, 2024	Appointment as Non-Executive Independent Director
Shailesh Kantilal Thakkar	August 3, 2024	Appointment as Non-Executive Independent Director
Anandbhai Natwerlal Katkoria	August 3, 2024	Appointment as Non-Executive Independent Director
Devang Sharadchandra Parekh	September 23, 2021	Resignation as Nominee Director on account of nomination being withdrawn by the nominating entity
Rishabh Anil Dhedia	September 23, 2021	Resignation as Nominee Director on account of nomination being withdrawn by the nominating entity

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and committees thereof.

Our Board is constituted in compliance with the provisions of the Companies Act and the SEBI Listing Regulations and our Company undertakes to take all steps necessary to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

Board Committees

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:
(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) CSR Committee;
(e) Risk Management Committee

In addition to the above, our Company has also constituted an Internal Complaints Committee as per the guidelines provided by 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013'.

Details of each of these committees are as follows:

Audit Committee

The Audit Committee was constituted pursuant to a resolution passed by our Board at its meeting held on August 26, 2024. The Audit Committee is in compliance with section 177 and other applicable provisions of the Companies Act and regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Nature of Directorship
1	Krishna Murty Kannepalli	Chairperson	Independent Director
2	Anandbhai Natwerlal Katkoria	Member	Independent Director
3	Punitkumar R. Rasadia	Member	Chairman and Managing Director

Further, the Company Secretary of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The terms of reference of the Audit Committee are set forth below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the financial statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statements;
   (f) Disclosure of any related party transactions;
   (g) modified opinion(s) in the draft audit report
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non – payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases;
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. To review the functioning of the whistle blower mechanism;
21. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
22. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary (if any) exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee, the Companies Act, SEBI Listing Regulations and/or any other laws as may be applicable.

Further, the Audit Committee shall mandatorily review the following:
(a) Management discussion and analysis of financial condition and results of operations;
(b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
(c) Internal audit reports relating to internal control weaknesses; and
(d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
(e) Statement of deviations:
(f) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1);
(g) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board at its meeting held on August 26, 2024. The Nomination and Remuneration Committee is in compliance with section 178 and other applicable provisions of the Companies Act and regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Nature of Directorship
1	Krishna Murty Kannepalli	Chairperson	Independent Director
2	Anandbhai Natwerlal Katkoria	Member	Independent Director
3	Mamata Punitkumar Rasadia	Member	Non-executive Non-independent Director

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Nomination and Remuneration Committee shall include the following:
1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors,

key managerial personnel and other employees;

1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
a. use the services of an external agencies, if required;
b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
c. consider the time commitments of the candidates;

2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. 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.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted pursuant to a meeting of our Board held on August 26, 2024, 2024. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

Sr. No.	Name of Member	Position in the Committee	Nature of Directorship
1	Mamata Punitkumar. Rasadia	Chairperson	Non-Executive Director
2	Meet Atulkumar Vachhani	Member	Whole-time Director
3	Anandbhai Natwerlal Katkoria	Member	Independent Director

Role of Stakeholders' Committee

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

(1) Resolving grievances of our security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
(2) Review of measures taken for effective exercise of voting rights by shareholders;
(3) Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
(4) Review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

CSR Committee

The Corporate Social Responsibility Committee was constituted pursuant to a resolution passed by our Board at its meeting held on August 26, 2024. The Corporate Social Responsibility Committee is in compliance with section 135 and other applicable provisions of the Companies Act. The Corporate Social Responsibility Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Nature of Directorship
1	Punitkumar R. Rasadia	Chairperson	Chairman & Managing Director
2	Meet Atulkumar Vachhani	Member	Whole-time Director
3	Anandbhai Natwerlal Katkoria	Member	Independent Director

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

(1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

(2) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(3) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

(4) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(5) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

(6) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee was constituted pursuant to a resolution passed by our Board at its meeting held on August 26, 2024. The Risk Management Committee is in compliance with regulation 19 of the SEBI Listing Regulations. The Risk Management Committee currently comprises of:

Sr. No.	Name of Member	Position in the Committee	Nature of Directorship
1	Krishna Murty Kannepalli	Chairperson	Independent Director
2	Punitkumar R. Rasadia	Member	Chairman and Managing Director
3	Meet Atulkumar Vachhani	Member	Whole-time Director

Role of Risk Management Committee

The role of Risk Management Committee, together with its powers, is as follows:

(1) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:
(i) A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
(ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and
(iii) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

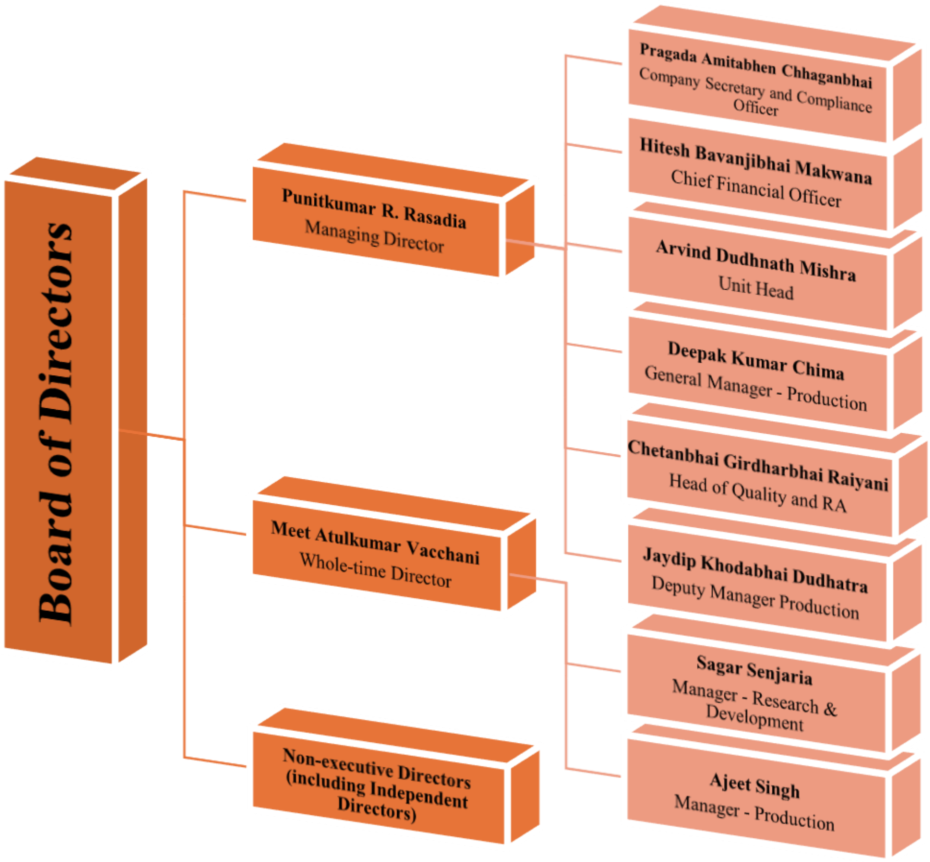
(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

(6) To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;

(7) To review the status of the compliance, regulatory reviews and business practice reviews;
(8) To approve the process for risk identification and mitigation;
(9) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
(10) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
(11) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
(12) To consider the effectiveness of decision making process in crisis and emergency situations;
(13) To balance risks and opportunities;
(14) To generally, assist the Board in the execution of its responsibility for the governance of risk;
(15) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
(16) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
(17) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
(18) To implement and monitor policies and/or processes for ensuring cyber security;
(19) To review and recommend potential risk involved in any new business plans and processes;
(20) To review the Company's risk-reward performance to align with the Company's overall policy objectives;
(21) To monitor and review regular updates on business continuity;
(22) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
(23) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
(24) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
(25) Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority. Further, the Risk Management Committee shall meet at least twice in a year and the gap between two consecutive meetings shall not be more than 210 days or as prescribed under the applicable law. The quorum for a meeting of the Risk Management Committee shall be either two members or one third of the members of the committee whichever is greater, with a minimum of one member of the Board of Directors in place.

Management Organization Structure



Our Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel

In addition to Punitkumar R Rasadia, Chairman and Managing Director and Meet Atulkumar Vachhani, Whole-time Director, whose details are disclosed under *"- **Brief profiles of our Directors**"* on page 222, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Hitesh Bavanjibhai Makwana is the Chief Financial Offer of our Company and has been associated with our Company since August 21, 2024. He has completed his degree in Bachelor of Commerce from Saurashtra University. He has also completed his degree in Master of Business Administration from Janardan Rai Nagar Rajasthan Vidyapeeth. Additionally, he has also completed his degree in Bachelor of Law from Saurashtra University. He has previously worked with Kunal Structure (India) Private Limited and Apricot Foods Private Limited and has over seven (7) years of experience in the field of accountancy. He looks after finance in the Company. As he was appointed in August 2024, he has not received any compensation from the Company in the Fiscal 2024.

Pragada Amitabhen Chhaganbhai is the Company Secretary and Compliance Officer of our Company and has been associated with our Company since May 01, 2019. She has completed her degree in Bachelor of Commerce from Saurashtra University. Additionally, she has also completed her degree in Bachelor of Law from Gujarat University. She is a qualified Company Secretary and is an associate member of the Institute of Company Secretaries of India. She has over five (5) years of experience in the field of compliance. Her roles and responsibilities include looking after the legal and secretarial compliances of the Company. She received a gross remuneration of ₹1.96 Lakhs in Fiscal 2024.

__Senior Management__

Arvind Dudhnath Mishra aged 59 years, is the Unit Head of our Company and has been associated with our Company from July 2016 till December 2018 and now since July 1, 2023. He has completed his degree in Bachelor of Science from National Degree College, Gorakhpur. He has previously worked with Supriya Pharmaceuticals Limited, Morepen Laboratories Limited, Cureworth (India) Limited, Alembic Limited, Zydus Lifesciences Limited, Parabolic Drugs Limited, Dishman Pharmaceuticals & Chemicals Limited, Asahi Kasei Chemfield Private Limited and JRS Pharma & Gujarat Microwax Private Limited. He has an experience of over thirty-seven (37) years in drugs and pharmaceuticals industry. His roles and responsibilities in the Company include strategic and tactical implementation of manufacturing and operational activities to meet optimum product quality, cost, and delivery. He received a gross remuneration of ₹28.50 Lakhs in Fiscal 2024.

Deepak Kumar Chima aged 55 years, is the General Manager - Production of our Company and has been associated with our Company since April 1, 2017. He has completed his degree in Bachelor of Science from RSM College, Dhampur. He has previously worked with Hi-Tech Drugs Limited, Biochem Synergy Limited, Phoenix Fine Chem Private Limited, Omkrown Pharmachem Private Limited and Sam O Fine Chem Limited. He has an experience of over thirty (30) years in the drugs and pharmaceuticals sector. His roles and responsibilities include managing and organization of manufacturing activity to ensure quality product yield with optimum efficiency while ensuring good manufacturing practices. He received a gross remuneration of ₹21.90 Lakhs in Fiscal 2024.

Chetanbhai Girdharbhai Raiyani aged 43 years, is the Head Quality and RA of our Company and has been associated with our Company since April 2, 2018. He has completed his degree in Master of Science in Industrial Chemistry from Sardar Patel University, Gujarat. He has previously worked with Atul Limited, Jubilant Organosys Limited, Solaris Chemtech Limited and Sam Fine O Chem Limited. He has experience of over twenty (20) years in operation and quality management system of pharmaceutical products. His roles and responsibilities in the Company include developing and implementing quality standards, policies, and procedures to ensure that pharmaceutical products are manufactured and tested in compliance with the customer requirements and conducting regular inspections, audits, or reviews to assess the effectiveness of quality control measures. He received a gross remuneration of ₹12.99 Lakhs in Fiscal 2024.

Jaydip Khodabhai Dudhatra aged 31 years, is the Deputy Manager Production of our Company and has been associated with our Company since November 08, 2019. He has completed his degree in Master of Science in industrial chemistry from Sardar Patel University, Gujarat. He has previously worked with Lupin Limited. He has an experience of over nine (9) years in the pharmaceutical industry. His roles and responsibilities include review of documents, yield, ensuring production does not exceed the budget and providing training to operators and chemists for respective areas and equipment. He received a gross remuneration of ₹7.25 Lakhs in Fiscal 2024.

Sagar Senjaria, aged 31 years, is the Manager – Product Development of our Company and has been associated with our Company since October 25, 2017. He has completed his degree in Master of Science in Pharmaceutical Organic Chemistry from Saurashtra University, Gujarat. He has previously worked with Synzeal Research Private Limited. He has experience of over seven (7) years in research and development of pharmaceutical products. His roles and responsibilities in the Company include research, planning and implementing new programs and protocols and overseeing development of new products. He received a gross remuneration of ₹7.33 Lakhs in Fiscal 2024.

Ajeet Singh, aged 49 years, is a Manager – Production of our Company and has been associated with our Company since April 18, 2022. He completed his degree in Bachelor of Science from Chaudhary Charan Singh University, Meerut. He has previously worked with Unimark Remedies Limited and Alembic Pharmaceuticals Limited. He has an experience of over eight (8) years in manufacturing and production of pharmaceutical products. His roles and responsibilities in the Company include ensuring co-ordination amongst various departments such as manufacturing, analytical support, QC, QA, scheduling, project management, etc. and reviewing the implementation of quality management systems to ensure processing activities are in compliance with the same. He received a gross remuneration of ₹16.45 Lakhs in Fiscal 2024.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and members of Senior Management are permanent employees of our Company.

Relationship among our Key Managerial Personnel and/or Senior Management

Except as stated in "***Our Management - Relationship between our Directors, Key Managerial Personnel or Senior Management***" and as stated below, none of our Key Managerial Personnel or Senior Management are related to each other or to any of our Directors.

Service Contracts with our Key Managerial Personnel and Senior Management

Our Key Managerial Personnel or Senior Management are governed by the terms of their respective employment letters / resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel have entered into a service contract with our Company, entitling them to any benefits upon termination of employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Contingent and deferred compensation paid or payable to our Key Managerial Personnel and Senior Management

No contingent or deferred compensation was paid or is payable to our Key Managerial Personnel and Senior Management for FY 2023-24.

Compensation paid to Key Managerial Personnel and Senior Management **pursuant to a Bonus or Profit-sharing plan**

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

Shareholding of our Key Managerial Personnel and Senior Management of our Company

Except as stated below, none of our Key Managerial Personnel and Senior Managerial Personnel hold any Equity Shares of our Company, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director/KMP/SMP	No. of shares held	Percentage (%)
1	Punitkumar R Rasadia	1,85,92,000	46.65
2	Meet Atulkumar Vachhani	94,08,000	23.61
Total		**2,80,00,000**	**70.26**

For details of Equity Shares held by our Key Managerial Personnel as on date of this Draft Red Herring Prospectus, please see *"**Capital Structure**"* on page 85.

Changes in Key Managerial Personnel and Senior Management in the past three (3) years

Set forth below are changes in our Key Managerial Personnel and Senior Management Personnel in the last three (3) years immediately preceding the date of filing of this Draft Red Herring Prospectus:

Name	Date of Change	Reasons
Hitesh Bavanjibhai Makwana	August 21, 2024	Appointed as CFO
Punitkumar R. Rasadia	July 01, 2024	Change in designation to Managing Director
Meet Atulkumar Vachhani	July 01, 2024	Change in designation to Whole Time Director
Ajeet Singh	April 18, 2022	Appointed as Production Manager
Arvind Dudhnath Mishra	July 1, 2023	Appointed as Unit Head

Attrition of Key Managerial Personnel and Senior Management Personnel

The attrition of Key Managerial Personnel and Senior Management Personnel is not high in our Company.

Employees' Stock Option Plan

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or employee stock purchase scheme.

Payment or benefit to our Key Managerial Personnel and Senior Management (non-salary related) in the preceding two (2) years

No amount or benefit (non-salary related) was paid or given to our Key Managerial Personnel or Senior Management Personnel, within the two (2) preceding years or is intended to be paid or given to our Key Managerial Personnel or Senior Management Personnel, other than in the ordinary course of employment.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Punitkumar R. Rasadia**,** Meet Atulkumar Vachhani and Mamata Punitkumar Rasadia are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Name of the Promoter	No. of Equity Shares	% of pre-Issue issued, subscribed and paid-up Equity Share Capital
Punitkumar R. Rasadia	1,85,92,000	46.65
Meet Atulkumar Vachhani	94,08,000	23.61
Mamata Punitkumar Rasadia	-	-
Total	**2,80,00,000**	**70.26**

For further details, see ***"Capital Structure* – The aggregate shareholding of the Promoters and Promoter group*"*** on page 102.

The details of our Promoters are as under:

Punitkumar R. Rasadia

Punitkumar R. Rasadia, aged 39 years is the Chairman and Managing Director of our Company. He is an Indian national.

For details of his educational qualifications, residential address, date of birth, experience, positions and posts held in the past, other directorships, other ventures and interest in other entities, business, financial activities and special achievements, see "***Our Management***" on page 220.

His permanent account number is AJPPR6932E.

Meet Atulkumar Vachhani

Meet Atulkumar Vachhani, aged 44 years is the Whole-Time Director of our Company. He is an Indian national.

For details of his educational qualifications, residential address, date of birth, experience, positions and posts held in the past, other directorships, other ventures and interest in other entities, business, financial activities and special achievements, see "***Our Management***" on page 220.

His permanent account number is ACWPV0197P.

Mamata Punitkumar Rasadia

Mamata Punitkumar Rasadia, aged 38 years is the Non-Executive Director of our Company. She is an Indian national.

For details of her educational qualifications, residential address, date of birth, positions and posts held in the past, other directorships, other ventures and interest in other entities, business, financial activities and special achievements, see "***Our Management***" on page 220.

Her permanent account number is BGOPR3883D

Confirmations and Undertakings

We confirm that the Permanent Account Number, Bank Account Number, Passport number, Aadhaar Card Number and driving license number of our Promoters, Punitkumar R. Rasadia, Meet Atulkumar Vachhani and Mamata Punitkumar Rasadia have been submitted to the Stock Exchange(s) at the time of filing of this Draft Red Herring Prospectus.

Change in Control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Other ventures of our Promoters

Other than as disclosed in the section "***Our Management – Other Directorships***" on page 220, and our Promoter Group entities and Group Companies, our Promoters are not involved in any other ventures. For details see, "***Our Group Companies***" on page 240 and "***Risk Factors – Our Promoters 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***" on page 62. Further, except our Promoter Group entities and Group Companies our Promoters do not have any interest in a venture that is involved in any activities similar to those conducted by our Company.

Experience of our Promoters in the business of our Company

Except for Mamata Punitkumar Rasadia all our Promoters have adequate experience in the industry in which our Company conducts its business. For further details please see "***Our Management – Brief profiles of our Directors***" on page 222.

Interest of our Promoters

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the dividend payable, if any, and other distributions in respect of the Equity Shares held by him; (iii) of remuneration payable to them and their relatives as Directors of our Company; and (iv) receivables in the ordinary course of business. For further details, see "***Capital Structure***", "***Our Management***", "***Summary of the Offer Document – Related Party Transactions***" and "***Our Management - Interest of our Directors***" and "***Restated Financial Statements***" on pages 85, 220, 28, 224 and 242 respectively.

Except as stated in "***Summary of the Offer Document – Related Party Transactions***" on page 28 and disclosed in "***Our Management – Interest of our Directors***" on page 224, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

Interest of our Promoters in our Company arising out of being a member of a firm or company

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to any firm or company in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a director, promoter or otherwise for services rendered by such Promoters or by such firm or company, in connection with the promotion or formation of our Company.

Interest of our Promoters in the property of our Company

Except as stated in the section ***"Our Business"*** and ***"Financial Information"***, on pages 183 and 242, respectively, our Promoters are not interested in the properties acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two years

Except as stated in the section **"*Restated Financial Information –Annexure VIII: Related Party Transactions*"** on page 274 there has been no payment of benefits paid or given to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

Material Guarantees

Except as stated in the chapters **"*History and Certain Corporate Matters*"**, **"*Financial Information*"** and ***"Financial Indebtedness"*** on pages 216, 242 and 280 respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Companies with which the Promoters have disassociated in the last three years

Details of companies / firms from which our Promoters have disassociated

Except as stated below, none of our Promoters have disassociated themselves from any other company or firms in the 3 (three) years preceding the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Promoter	Name of the Company from which our Promoter has disassociated	Reason for disassociation	Date of disassociation
1	Punitkumar R. Rasadia	Anlon Pharmaceuticals Private Limited	Voluntarily Struck off	June 7, 2019
2	Punitkumar R. Rasadia	Norvium Healthcare Private Limited	Resignation from directorship	November 28, 2023
3	Punitkumar R. Rasadia	Knowteq Consultancy Private Limited	Voluntarily Struck off	April 6, 2024
4	Meet Atulkumar Vachhani	Norvium Healthcare Private Limited	Resignation from directorship	November 28, 2023
5	Meet Atulkumar Vachhani	Knowteq Consultancy Private Limited	Voluntarily Struck off	April 6, 2024
6	Punitkumar R. Rasadia	Anlon Technology Research Organization LLP	Voluntarily Struck off	December 20, 2024

Confirmations

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters, members of our Promoter Group, are 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.

Our Promoters and members of the Promoter Group are not promoters, directors or persons in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

For details on litigation involving our Promoters in accordance with SEBI ICDR Regulation, see "***Outstanding Litigation and Material Developments – Litigation involving our Promoters***" on page 299.

Other Confirmations

Except as stated below, none of our Promoters or individuals forming part of our Promoter Group are appearing in the list of directors of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act. Further, none of the entities forming part of our Promoter Group are appearing in the list of struck-off companies by the RoC or the MCA under Section 248 of the Companies Act.

Persons	Struck-off Entities
Punitkumar R. Rasadia	Knowteq Consultancy Private Limited
Meet Atulkumar Vachhani	
Punitkumar R. Rasadia	Anlon Pharmaceuticals Private Limited

Our Promoter Group

Persons constituting the Promoter Group (other than our Promoters) of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations 2018 are set out below:

Natural persons forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of Individuals	Relationships
Punitkumar R. Rasadia		
1.	Rasadia Bhanumati Rameshbhai	Mother
2.	Shilpaben Meetbhai Vachhani	Sister
3.	Mamata Punitkumar Rasadia	Spouse
4.	Rasadia Khush Punitkumar	Son
5.	Rameshbhai Maganbhai Ramotiya	Spouse's Father
6.	Ramotiya Ramaben	Spouse's Mother
7.	Jayesh Rameshbhai Ramotiya	Spouse's Brother
8.	Sanjay Ramotiya R	Spouse's Brother
Meet Atulkumar Vachhani		
1.	Atulbhai Shyamlal Vachhani	Father
2.	Vachhani Bhartiben Atulbhai	Mother
3.	Neha Nirmal Patel	Sister
4.	Shilpaben Meetbhai Vachhani	Spouse
5.	Gyana Meetbhai Vachhani	Daughter
6.	Vari Meetbhai Vachhani	Daughter
7.	Rasadia Bhanumati Rameshbhai	Spouse's Mother
8.	Punitkumar R. Rasadia	Spouse's Brother
Mamata Punitkumar Rasadia		
1.	Rameshbhai Maganbhai Ramotiya	Father

Sr. No.	Name of Individuals	Relationships
2.	Ramotiya Ramaben	Mother
3.	Jayesh Rameshbhai Ramotiya	Brother
4.	Sanjay Ramotiya R.	Brother
5.	Punitkumar R. Rasadia	Spouse
6.	Rasadia Khush Punitkumar	Son
7.	Rasadia Bhanumati Rameshbhai	Spouse's Mother
8.	Shilpaben Meetbhai Vachhani	Spouse's Sister

Entities forming part of our Promoter Group:

Sr. No.	Name of entities	Nature
1.	Anlon Chemical Research Organization	Partnership firm
2.	Anlon Lifescience Private Limited	Company
3.	Advintel Medicare Private Limited	Company
4.	Anlon Technology Research Organization LLP*	Limited Liability Partnership
5.	Ramotiya Maganbhai Rameshbhai HUF	HUF

** Anlon Technology Research Organization LLP ("**ATRO**") has made an application to the registrar for striking off of its name under LLP Form No. 24 on September 10, 2024 since ATRO does not carry on any business.*

OUR GROUP COMPANIES

Pursuant to Board resolution dated August 26, 2024, our Board formulated a policy for identification of group companies ("**Materiality Policy**") and has noted that in accordance with the SEBI ICDR Regulations, the term "***Group Companies***", includes (i) such companies (other than promoter(s) and subsidiary(ies), if any) with which there were related party transactions during the period for which financial information is disclosed, in accordance with Ind AS 24, as disclosed in the Restated Financial Statement ("**Relevant Period**"), including any additions or deletions in such companies, after the Relevant Period and until the date of the respective offer documents; and (ii) any other companies considered material by the Board of Directors, in accordance with the Materiality Policy.

With respect to the above, all such companies with which the Company had related party transactions, in accordance with Ind AS 24, during the Relevant Period and as disclosed in the Restated Financial Statement, which is contained in Draft Red Herring Prospectus, shall be considered as group companies of the Company for the purpose of disclosure in this Draft Red Herring Prospectus to be filed in relation to the Issue.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, we do not have any group companies.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder. The dividend distribution policy of our Company was approved and adopted by our Board on August 26, 2024 (the "***Dividend Distribution Policy***").

The Dividend Distribution Policy provides that our Board may consider the following financial/internal parameters while declaring or recommending dividend to Shareholders: (i) our Company's net profits earned during the Fiscal after tax; (ii) retained earnings; (iii) working capital requirement and repayment of debts, if any, (iv) contingent liabilities; (v) earnings outlook for at least next three years; (vi) current and expected future capital/liquidity requirements including expansion, modernization, investment in group companies and acquisitions; (vii) buyback of shares or any other profit distribution measure; (viii) stipulations/covenants of any agreement to which our Company is a party (including; financing documents, investment agreements and shareholders agreement); (ix) applicable legal restrictions; (x) and overall financial position of our Company; and (xi) any other factors and material events considered relevant by our Board, including those set out in any annual business plan and budget of our Company.

Our Board may consider the following external parameters while declaring or recommending dividend to Shareholders: (i) the applicable legal requirements, regulatory conditions or restrictions; (ii) dividend pay-out ratios of companies in similar industries; (iii) financing costs; (iv) the prevailing economic environment; and (v) any other relevant factors and material events to our Company.

Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Retained earnings may be utilized by our Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "***Risk Factors - Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements***" on page 63.

We have not declared and paid any dividends on the Equity Shares in any of the three Fiscals preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,
The Board of Directors
Anlon Healthcare Limited,
101/102-Silver Complex,
Opp Crystal Mall, Kalawad Road,
Rajkot,Gujarat
India-360005

Dear Sir,

1. We have examined the attached Restated Standalone Financial Information of Anlon Healthcare Limited (the "Company") (CIN: U24230GJ2013PLC077543), comprising the Restated Standalone Statement of Assets and Liabilities as at January 31 2025 ,March 31,2024, March 31, 2023 and March 31, 2022 Restated Standalone Statements of Profit and Loss, the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the year ended January 31 2025,March 31,2024, March 31, 2023 and March 31, 2022 and the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on February 14, 2025 for the purpose of inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:
   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Financial Information for the purpose of inclusion in the RHP and Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), the stock exchanges where the equity shares of the Company are proposed to be listed ("Stock Exchanges") and the Registrar of Companies, Gujarat ("ROC"), in connection with the proposed IPO. The Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note no.2 in Annexure V to the Financial Information.

3. The responsibility of the Board of Directors of the Company includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Standalone 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 01st July-2024 in connection with the proposed IPO of equity shares of the Company.
   b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
   c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Financial Information; and
   d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.

5. These Financial Information have been compiled by the management from:

Audited ("Indian GAPP") Financial Statements of the company as at and For the years ended March 31,2024 March 31,2023 and March 31, 2022 prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31,2024 ,March 31, 2023 and March 31, 2022 prepared in accordance with the Indian accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which was approved by the Board of directors at their meeting held on February 14, 2025 We, Chartered Accountants, have been subject to peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid peer review certificate issued by the "Peer review Board" of the ICAI. The Audit for Financial year March 31, 2022 was conducted by M/s. K.M Chauhan & Associates. Accordingly, reliance has been placed on the financial information examined by them for the said year.

6. Based on our examination and according to the information and explanations given to us, we report that the Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications to reflect the accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024;
b) does not contain any qualification requiring adjustments.
c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Other Financial Information:

We have also examined the following financial information as set out in annexure prepared by the management and as approved by the Board of Directors of the Company for the financial year/ Period ended January 31, 2025, March 31, 2024, March 31, 2023, and March 31, 2022.

Particulars	Annexure
Restated Balance Sheet	I
Restated Statement of Profit and Loss	II
Restated Cash Flow Statement	III
Restated Statement of Changes in Equity	IV
Restated Statement of Account Policies and Notes	V
Restated Ratios	VI
Restated Earnings Per Share and other accounting ratios	VII
Restated Related Party Disclosure	VIII
Restated Tax Shelter	IX
Restated Capitalization Statement	X

8. In our opinion, the above restated financial information contained in this report read along with the 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 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 the Company. 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.

9. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As 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.

10. The Restated Financial Information 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 5 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us , nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with SEBI, Stock Exchanges and ROC 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.

I. Auditor's Responsibility

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

II. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable**.**

For, Kaushal Dave & Associates
Chartered Accountants
ICAI Firm Registration No 143936W

Sd/-
Kaushal V. Dave
(Partner)
Membership No 174550
UDIN: 25174550BMLMTD3246

Date: February 17, 2025
Place: Rajkot

Annexure I Restated Statement of Assets & Liabilities

(Rs. In Lakhs)

	Particulars	Note No	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
			Standalone	Standalone	Standalone	Standalone
A	**ASSETS**					
1	**Non-Current Assets**					
	(a) Property, Plant and Equipment	2	2,300.78	2,729.70	2,573.99	2,723.41
	(b) Investment Property			-	-	-
	Total Non-Current Assets		**2,300.78**	**2,729.70**	**2,573.99**	**2,723.41**
2	**Current Assets**					
	(a) Inventories	3	4,797.71	4,171.35	2,696.63	2,668.97
	(b) Financial Assets					
	(i) Trade Receivables	4	6,810.26	3,873.05	4,380.57	2,030.27
	(ii) Cash and Cash Equivalents	5	146.64	227.45	62.36	154.23
	(iii) Investments	6	88.54	84.51	390.74	175.33
	(iv) Loans	7	247.75	139.04	34.55	23.36
	(v) Other financial assets	8	137.42	55.81	44.79	38.99
	(c) Other Current Assets	9	1,566.85	1,519.17	971.17	682.66
	Total Current Assets		**1,3795.16**	**10,070.38**	**8,580.80**	**5,773.81**
	Total Assets (1+2)		**1,6095.94**	**12,800.08**	**11,154.79**	**8,497.22**
B	**Equity and Labilities**					
1	**Equity**					
	(a) Share capital	10	3,985.15	1,600.00	1,200.00	1,200.00
	(b) Other equity	11	3,201.30	503.14	- 462.57	- 1,044.57
	(c) Minority interest		-	-	-	-
	Total Equity		**7,186.45**	**2,103.14**	**737.43**	**155.43**
2	**Non-Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	12	4,239.38	5,424.52	5,817.61	5,226.70
	(ii) Provisions	13	24.50	22.05	12.72	9.88
	(b) Deferred Tax Liabilities (Net)	14	229.35	239.97	231.91	215.75
	Total Non-Current Liabilities		**4,493.24**	**5,686.53**	**6,062.24**	**5,452.33**
3	**Current Liabilities**					
	(a) Financial Liabilities					
	(i) Borrowings	12	1,999.47	2,031.80	821.06	805.61
	(ii) Trade Payables					
	-Due to Micro and Small Enterprises	15	44.42	40.50	1.64	0.32
	-Due to Other then Micro and Small Enterprise		1,255.28	1,958.7	2,531.01	1,522.99
	Current Tax Liabilities (Net)					
	(b) Provisions	16	293.48	217.31	195.22	49.60
	(c) Other Current Liabilities	17	823.60	762.08	806.20	510.95
	Total Current Liabilities		**4,416.25**	**5,010.41**	**4,355.13**	**2,889.46**
	Total Equity and Current Liabilities (1+2+3)		**1,6095.94**	**12,800.08**	**11,154.79**	**8,497.22**

Accounting Policies & Notes on Accounts
As per our Report on Even date attached
For, Kaushal Dave & Associates
Chartered Accountants
ICAI Firm Registration No 143936W
Sd/-
Kaushal V. Dave
(Partner)
Membership No 174550
Date: 17.02.2025
Place: Rajkot

for Anlon Healthcare Limited

Sd/-
Punitkumar R. Rasadia
Managing Director
DIN: 06696258

Sd/-
Meet A. Vachhani
Whole Time Director
DIN: 06696258

Sd/-
Amita Pragada
Company Secretary
Membership No. A58411

Sd/-
Hitesh B. Makwana
Chief Financial Officer

Annexure II Restated Statement of Profit & Loss

(Rs. In Lakhs)

	Particulars	**Note No**	**As at 31st January, 2025**	**As at 31st March 2024**	**As at 31st March 2023**	**As at 31st March 2022**
			Standalone	**Standalone**	**Standalone**	**Standalone**
I	Revenue from operations	18	7,724.84	6,658.37	11,287.74	5,714.27
II	Other income	19	12.63	10.82	24.25	39.37
III	**Total Income (I + II)**		**7,737.47**	**6,669.19**	**11,312.00**	**5,753.64**
IV	Expenses:					
	Cost of material Consumed	20	3,808.18	4,405.17	8,551.20	4,749.14
	Change in Inventory	20.01	1,141.23	(1,038.86)	243.76	(415.57)
	Employee benefits expense	21	406.11	477.82	406.87	314.18
	Finance costs	22	315.19	393.07	379.78	407.16
	Depreciation and amortization expense	23	156.00	188.75	186.64	184.18
	Other expenses	24	632.89	1,268.12	844.44	525.33
	Total expenses		**6,459.60**	**5,694.08**	**10,612.68**	**5,764.42**
V	**Profit before tax (III-IV)**		**1,277.87**	**975.11**	**699.32**	**(10.77)**
VI	Tax expense:					
	(1) Current tax	25	194.69	102.50	101.16	-
	(2) Deferred tax	25	(10.61)	8.06	16.15	-
	(3)MAT Credit Entitlement	25	(102.29)	(101.16)	-	-
	Previous year tax Adjustment		-	-	-	-
VII	**Profit (Loss) for the period (V-VI)**		**1,196.08**	**965.71**	**582.00**	**(10.77)**
	(1) Remeasurements of the defined benefit plans				-	-
	(2) Income tax relating to items that will not be reclassified to profit or loss				-	-
VIII	**Total other comprehensive Income**		-	-	-	-
IX	**Total comprehensive income for the year (VII+VIII)**		**1,196.08**	**965.71**	**582.00**	**(10.77)**
X	**Earnings per equity share:**					
	(1) Basic (Adjusted)		**4.65**	**6.68**	**4.85**	**(0.09)**
	(2) Diluted (Adjusted)		**4.65**	**6.68**	**4.85**	**(0.09)**

Accounting Policies & Notes on Accounts
As per our Report on Even date attached
For, Kaushal Dave & Associates
Chartered Accountants
ICAI Firm Registration No 143936W
Sd/-
Kaushal V. Dave
(Partner)
Membership No 174550
Date: 17.02.2025
Place: Rajkot

For Anlon Healthcare Limited

Sd/- Punitkumar R. Rasadia Managing Director DIN: 06696258	Sd/- Meet A. Vachhani Whole Time Director DIN: 06696258
Sd/- Amita Pragada Company Secretary Membership No. A58411	Sd/- Hitesh B. Makwana Chief Financial Officer

Annexure III Restated Statement of Cashflow **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Standalone		Standalone		Standalone		Standalone	
<u>**Cash flow from Operating Activities**</u>								
Net Profit Before tax as per Statement of Profit & Loss		**1,277.87**		**975.11**		**699.32**		**(10.77)**
Adjustments for:								
Depreciation & Amortisation Exp.	156.00		**188.75**		186.64		184.18	
Interest Income	(3.92)		**(7.57)**		(3.73)		(9.24)	
Profit on Sale of Fixed Assets	-		-		-		-	
(Profit)/Loss on Sale of Fixed Assets	0.55		-		-			
Provision for Gratuity	2.45		9.33		2.84		9.88	
Finance Cost	315.19	470.27	**393.07**	583.59	379.78	565.53	407.16	591.98
Operating Profit before working capital changes		**1,748.13**		**1,558.70**		**1,264.84**		**581.21**
Changes in Working Capital								
Dec/(Inc) Trade receivable	(2,937.21)		507.50		(2,350.30)		(1,436.59)	
Dec/(Inc)loans	(108.71)		(104.49)		(11.19)		(11.62)	
Inventories	(626.36)		(1,474.72)		(27.66)		(504.12)	
Dec/(Inc) Other Current Assets	(47.69)		(547.99)		(288.50)		356.12	
Dec/(Inc) Current Investments	(4.03)		306.23		(215.41)		81.57	
Dec/(Inc) Other Financial Assets	(81.61)		(11.03)		(5.79)		3.11	
Inc/(Dec)Trade Payables	(699.53)		(533.43)		1,009.34		431.77	
Inc/(Dec) Other Current Liabilities	61.52		(44.12)		295.25		318.52	
Inc/(Dec) Provision	76.18		22.09		44.46		3.57	
Opening Restatement diff due to IND as Conversion							1.05	
		(4,367.44)		(1,879.96)		(1,549.81)		(756.61)
Net Cash Flow from Operation		**(2,619.30)**		**(321.27)**		**(284.97)**		**(175.40)**
Less: Income Tax paid		102.50		1.34	-		-	-
Net Cash Flow from Operating Activities (A)		**(2721.80)**		**(322.60)**		**(284.97)**		**(175.40)**
<u>**Cash flow from investing Activities**</u>								
Purchase of Fixed Assets	(45.53)		(353.16)		(37.22)		(47.84)	
Sale of Fixed Assets	323.35		8.70		-		-	
Interest Income	3.92		7.57		3.73		9.24	
		281.74		(336.90)		(33.49)		(38.60)
Net Cash Flow from Investing Activities (B)		281.74		(336.90)		(33.49)		(38.60)
<u>**Cash Flow From Financing Activities**</u>								
Proceeds From long Term Borrowing (Net)	(1180.99)		(393.09)		590.91		1,594.96	
Short Term Borrowing (Net)	(32.33)		1,210.75		15.45		(907.07)	

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
	Standalone	Standalone	Standalone	Standalone
Interest Paid	(315.19)	(393.07)	(379.78)	(407.16)
Share Premium	1,502.09			
Equity Share issued	2385.15	400.00		
	2,358.73	824.58	226.59	280.73
Net Cash Flow from Financing Activities (C)	2,358.73	824.58	226.59	280.73
Net (Decrease)/ Increase in Cash & Cash Equivalents(A+B+C)	**(81.33)**	**165.08**	**(91.87)**	**66.73**
Opening Cash & Cash Equivalents	227.45	62.36	154.23	87.49
Cash and cash equivalents at the end of the period	**146.12**	**227.45**	**62.36**	**154.23**
Cash And Cash Equivalents Comprise:				
Cash	146.31	227.05	61.64	153.14
Bank Balance:				
Current Account	0.32	0.39	0.72	1.09
Deposit Account				-
Total	**146.64**	**227.45**	**62.36**	**154.23**

Accounting Policies & Notes on Accounts
As per our Report on Even date attached
For, Kaushal Dave & Associates
Chartered Accountants
ICAI Firm Registration No 143936W
Sd/-
Kaushal V. Dave
(Partner)
Membership No 174550
Date: 17.02.2025
Place: Rajkot

For Anlon Healthcare Limited

Sd/-
Punitkumar R. Rasadia
Managing Director
DIN: 06696258

Sd/-
Meet A. Vachhani
Whole Time Director
DIN: 06696258

Sd/-
Amita Pragada
Company Secretary
Membership No. A58411

Sd/-
Hitesh B. Makwana
Chief Financial Officer

Annexure IV: Restated Statement of Changes in Equity.

Equity Share Capital	(Amount in INR Lakhs)
Particulars	**Amount**
Changes during the year	-
Balance as on 31st March, 2022	**1,200.00**
Changes during the yea	-
Balance as on 31st March, 2023	**1,200.00**
Changes during the year	400.00
Balance as on 31st March, 2024	**1,600.00**
Changes during the year	2,385.15
Balance as on 31st January 2025	**3,985.15**

Other Equity			**(Amount in INR Lakhs)**
Particulars	**Reserves and Surplus**		**Total**
	Retained earnings	**Securities premium**	
Balance as at 31st March, 2022	**(1,312.37)**	**288.83**	**(1,023.53)**
Profit for the year	582.00	-	582.00
Change due to restatement of Secured Loans	(21.04)	-	(21.04)
Balance as at 31st March, 2023	**(751.41)**	**288.83**	**(462.57)**
Profit for the year	965.71	-	965.71
Bonus issue	-	-	-
Other comprehensive income for the year (Net of Tax)	-	-	-
Dividend paid	-		-
Balance as at 31st March, 2024	**214.31**	**288.83**	**503.14**
Profit for the year	1,196.08	1502.09	2698.16
Bonus issue	-	-	-
Other comprehensive income for the year (Net of Tax)	-	-	-
Dividend paid	-		-
Balance as at 31.01.2025	**1,410.38**	**1,790.92**	**3,201.30**

Annexure V

Note 01: Notes Forming Part & Significant Accounting Policies:

1.0. Corporate Information

Anlon Healthcare Limited is a Limited Company, incorporated under the provisions of Companies Act, 1956 and having CIN: U24230GJ2013PLC077543. The Company is mainly engaged in the business of manufacturing unit of API and its intermediates. The Registered office of the Company is situated at 101/102-Silvercoin Complex, Opp Crystal mall, Kalawad Road, Rajkot, Gujarat, India-360005.

1.1 Basis of preparation of financial statements

a. Accounting Convention: -

The Restated Statement of Assets and Liabilities of the Company as at January 31, 2025, March 31, 2024, March 31, 2023 and March 31, 2022 , the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the years ended /Period January 31, 2025, March 31, 2024, March 31, 2023 and March 31, 2022, Restated Statement of Basis of Preparation, Material Accounting Policies, notes to accounts and other explanatory information and Statement of Adjustments to the Audited Financial Statements as at and for the year ended March 31, 2024 and March 31, 2023 and the Audited Special Purpose Financial Statements as at and for the year ended March 31, 2022 are together referred as "Restated Financial Information"

The Company has decided to voluntarily adopt Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred to as “Ind AS”) for the financial year ended March 31, 2024 and prepared its first financial statements in accordance with Indian Accounting Standards (Ind AS) for the year ended March 31, 2024 with the transition date as April 01, 2022.

The restated financial information has been prepared for inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus ("DRHP" or “RHP” or “P” "offer document") to be filed by the Company with the Securities and Exchange Board of India (‘SEBI’), Stock Exchange (SE) and other regulatory bodies

The Restated financial information have been compiled from:

· The audited financial statement of the Company for Financial Year 2023-24, Financial Year 2022-23, and Financial Year 2021-22.

· The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

b. Functional and Presentation Currency

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. All amounts disclosed in the financial statements and notes are rounded off to lakhs the nearest INR rupee in compliance with Schedule III of the Act, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

c. Use of Estimates and Judgments

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments, and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change form period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods affected.

d. Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

i. It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
ii. It is held primarily for the purpose of being traded.
iii. It is expected to be realized / due to be settled within twelve months after the end of reporting date;
iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

1.2 Basis of Preparation

a) **Property, Plant & Equipment and Intangible Assets: -**

i. The company has adopted Cost Model to measure the gross carrying amount of Property Plant & Equipment.

ii. Tangible Property Plant & Equipment are stated at cost of acquisition less accumulated depreciation. Cost includes the purchase price and all other attributable costs incurred for bringing the asset to its working condition for intended use.

iii. Cost of fixed assets not ready for use before the balance sheet date is disclosed as Capital Work in Progress.

iv. Cost of Intangible Assets not ready for use before the balance sheet date is disclosed as Intangible Assets under Development.

b) **Depreciation / Amortisation: -**

Depreciation has been provided under Straight line Method (SLM) at the rates prescribed under schedule III of the Companies Act, 2013 on single shift and Pro Rata Basis to result in a more appropriate preparation or presentation of the financial statements. In respect of assets added/sold during the year, pro-rata depreciation has been provided at the rates prescribed under Schedule II.

c) Impairment of Assets: -

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior period is reversed if there has been a change in the estimate of the recoverable amount. However, during last 3 Years no assets has been impaired.

d) Investments: -

- Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.
- On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.
- Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value of long-term investments is made to recognize a decline, other than temporary, on an individual investment basis.
- Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value of long-term investments is made to recognize a decline, other than temporary, on an individual investment basis.
- Long term investments which are expected to be realized within twelve months from the balance sheet date are presented under 'current investments' as 'current portion of long-term investments' in accordance with the current / noncurrent classification of investments as per Schedule III Division I of the Companies Act, 2013.

e) **Retirement Benefits: -**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

Employment Benefits:

1) Defined Contribution Plans:

The company has Defined Contribution Plans for post-employment benefit in the form of Provident Fund which are administered by the Regional Provident Fund Commissioner. Provident Fund are classified as defined contribution plans as the company has no further obligation beyond making contributions. The company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as and when incurred.

2) Defined Benefit Plans:

2.1) Provident Fund/ESIC:

Provident fund is a defined contribution scheme as the company pays fixed contribution at pre-determined rates. The obligation of the company is limited to such fixed contribution. The contributions are charged to Profit & Loss A/c.

2.2) Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

The Company has made an actuarial valuation for provision of Gratuity as per AS 19.

f) Revenue Recognition: -

Revenue is recognized when it is probable that economic benefit associated with the transaction flows to the Company in ordinary course of its activities and the amount of revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into the account contractually defined terms of payments, net of its returns, trade discounts and volume rebates allowed.

Revenue includes only the gross inflows of economic benefits, including the excise duty, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax, value added tax and goods and service tax (GST) are excluded from the Revenue.

Sale of service is recognized at the point Performance consists of the execution of a single act. Alternatively, services are performed in more than a single act, and the services yet to be performed are so significant in relation to the transaction taken as a whole that performance cannot be deemed to have been completed until the execution of those acts. The completed service contract method is relevant to these patterns of performance and accordingly revenue is recognized when the sole or final act takes place and the service becomes chargeable.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable i.e. on the basis of matching concept.

Dividend from investments in shares / units is recognized when the company has right to receive such dividend

Other items of Income are accounted as and when the right to receive arises.

g) Accounting for effects of changes in foreign exchange rates: -

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transactions.

Any income or expenses on account of exchange difference either on settlement or on Balance sheet Valuation is recognized in the profit and loss account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

Foreign currency transactions accounts are given in the notes of accounts.

h) Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

During current financial year company has not availed any specific credit facilities to construct any qualifying assets hence borrowing cost is not capailized as per IND as 23.

i) Related Party Disclosure

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Indian Accounting Standard are given in notes of accounts.

j) Cash Flow

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of past or future cash receipts and payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

k) Earnings Per Share: -

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with IND AS 33, “Earnings per Share”. Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

l) Taxes on Income: -

Current Tax: -
Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred Taxes: -
Deferred Income Tax is provided using the liability method on all temporary difference at the balance sheet date between the tax basis of assets and liabilities and their carrying amount for financial reporting purposes.

a. Deferred Tax Assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available in the future against which this item can be utilized.
b. Deferred Tax Assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets is realized or the liability is settled, based on tax rates (and the tax) that have been enacted or enacted subsequent to the balance sheet date.

m) **Provisions Contingent liabilities and contingent assets: -**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the standalone financial statements.

1. The previous year's figures have been reworked, regrouped, and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current annual financial statements and are to be read in relation to the amounts and other disclosures relating to the current financial year.

2. Since the company has taken Unsecured loan which is taken from director or other unsecured loan of company but for that company there is no agreement in writing.

3. The Company has not revalued its Property, Plant and Equipment for the restated period.

4. There has been no Capital work in progress for the restated period are as follows:

5. Intangible assets under development for the restated period as follows

CWIP/ Intangible Assets Under Development Property Under Development	**Amount In Development for Period (Rs. In Lakhs)**				
From 01th April,2023 to 31st March -2024	**< 1 Years**	**1-2 Years**	**2-3 Years**	**> 3 Years**	**Total**
Projects in Progress	-	-	-	-	-
Projects Temporarily suspended	-	-	-	-	-
CWIP/ Intangible Assets Under Development Property Under Development	**Amount In Development for Period (Rs. In Lakhs)**				
From 01th April,2023 to 31st March -2024	**< 1 Years**	**1-2 Years**	**2-3 Years**	**> 3 Years**	**Total**
Projects in Progress	-	-	-	-	0
Projects Temporarily suspended	-	-	-	-	-

6. Credit and Debit balances of unsecured loans, Trade Payables, Sundry Debtors, Loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

7. The Company does not have any charges or satisfaction which is yet to be registered with ROC or beyond the statutory period.

8. The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

9. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

10. No proceeding has been initiated or pending against the Company for holding any Benami property under

the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.

11. The company has not been declared as willful defaulter by any bank or financial institution or government or government authority.

12. The company does not have transaction with the struck off under section 248 of companies act, 2013 or section 560 of Companies act 1956.

13. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of company's act read with companies (restriction on number of layers) Rules, 2017.

14. Corporate Social Responsibility (CSR) The section 135 (Corporate social responsibility) of companies act, 2013 is applicable to the company.

15. Notes forming part of accounts in relation to Micro and small enterprise

Based on information available with the company, on the status of the suppliers being Micro or small Enterprises, on which the auditors have relied, the disclosure requirements of Schedule III to the Companies Act, 2013 with regard to the payments made/due to Micro and small Enterprises are given below:

Particulars	**Up to 31.01.2025**		**Year Ended 31st March 2024**	
	Principal	**Int**	**Principal**	**Int**
Amount due as at the date of Balance sheet	44.42	Nil	40.5	Nil
Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

Particulars	**Year Ended 31st March 2023**		**Year Ended 31st March 2022**	
	Principal	**Int**	**Principal**	**Int**
Amount due as at the date of Balance sheet	1.64	Nil	0.32	Nil
Amount paid beyond the appointed date during the year	Nil	Nil	Nil	Nil
Amount of interest due and payable for the period of delay in making payments of principal during the year beyond the appointed date	Nil	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid as at the date of Balance sheet	Nil	Nil	Nil	Nil

The company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) but has not received the same in totality. The above information is compiled based on the extent of responses received by the company from its suppliers.

16. **Title deeds of immovable Property**

Tittle deeds of immovable property has been held in the name of promoter, director, or relative of promoter/ director or employee of promoters / director of the company, hence same are not held in the name of the company which are mentioned below:

Description of Property	**Gross carrying value (Rs in Lakhs)**	**Held in the name of**	**Whether promoter, director or their relative or employee**
		NIL	

17. **Shares Held by Promoters at the End of the Year.**

Promoter Name	No. of Shares	% of Total Shares
Meet A.Vachhani		
31.01.2025	94,08,000	23.61%
31.03.2024	16,88,000	10.55%
31.03.2023	10,16,000	8.47%
31.03.2022	10,16,000	8.47%
Punit Rasadia		
31.01.2025	1,85,92,000	46.65%
31.03.2024	23,12,000	14.45%
31.03.2023	9,84,000	8.20%
31.03.2022	9,84,000	8.20%

Note No 2: Property, Plant and Equipment **(Rs. In Lakhs)**

Particulars	Land	Factory Buildings	Office Equipment	Computer and data processing units	Electrical Installation and Equipments	Furniture & Fixtures	Plant & Machinery, Vehicles & office Equipments	Vehicles	Total
Gross Carrying Value as on April-2022	**6.36**	**1,044.78**	**14.97**	**13.00**	**180.49**	**145.17**	**2,033.53**	**19.12**	**3,457.40**
Addition during the year	-	-	0.10	**9.17**	1.56	-	26.83	-	**37.66**
Deduction during the year	-	-	-	-	-	-	0.44	-	**0.44**
Gross Carrying Value as on March 31, 2023	**6.36**	**1,044.78**	**15.07**	**22.17**	**182.04**	**145.17**	**2,059.92**	**19.12**	**3,494.62**
Addition during the year	-	320.07	0.22	**1.11**	0.47	0.08	31.22	-	353.16
Deduction during the year	-	-	-	**8.93**	-	-	-	-	8.93
Gross Carrying Value as on 31st March -2024	**6.36**	**1,364.85**	**15.28**	**14.35**	**182.52**	**145.25**	**2,091.13**	**19.12**	**3,838.86**
Addition during the year	10.60		0.18	**7.01**	1.39	-	26.89	3.50	**49.57**
Deduction during the year		320.07			0.40		0.38	2.50	**323.35**
Gross Carrying Value as on 31 January, 2025	**16.95**	**1,044.78**	**15.46**	**21.36**	**183.51**	**145.25**	**2117.65**	**20.12**	**3565.08**
Accumulated depreciation and impairment as on April 01,2022	**-**	**135.22**	**10.36**	**3.16**	**67.75**	**55.22**	**454.05**	**8.22**	**733.99**
Addition during the year	-	33.12	2.85	**2.08**	17.23	13.79	115.38	2.19	**186.64**
Deduction during the year	-	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment as on March 31, 2023	**-**	**168.34**	**13.22**	**5.24**	**84.98**	**69.02**	**569.43**	**10.41**	**920.63**
Addition during the year	**-**	**33.12**	**2.87**	**2.29**	**17.32**	**13.80**	**117.16**	**2.19**	**188.75**
Deduction during the year				**0.23**					**0.23**
Accumulated depreciation and impairment as on 31st March -2024	**-**	**201.46**	**16.09**	**7.30**	**102.30**	**82.81**	**686.59**	**12.60**	**1,109.15**
Addition during the year	**-**	**27.12**	**1.58**	**2.50**	**14.32**	**11.30**	**97.27**	**1.91**	**156.00**
Deduction during the year	**-**							**0.85**	**0.85**
Accumulated depreciation and impairment as on 31st January, 2025	**-**	**228.58**	**17.67**	**9.80**	**116.62**	**94.11**	**783.86**	**13.66**	**1264.30**
Net Carrying Value as on March 31, 2022	**6.36**	**909.56**	**4.60**	**9.84**	**112.74**	**89.95**	**1,579.48**	**10.89**	**2,723.41**
Net Carrying Value as on March 31, 2023	**6.36**	**876.44**	**1.85**	**16.93**	**97.07**	**76.15**	**1,490.49**	**8.70**	**2,573.99**
Net Carrying Value as on March 31, 2024	**6.36**	**1,163.39**	**- 0.81**	**7.05**	**80.22**	**62.44**	**1,404.54**	**6.52**	**2,729.70**
Net Carrying Value as on January 31, 2025	**16.95**	**816.20**	**-2.21**	**11.56**	**66.89**	**51.14**	**1333.79**	**6.46**	**2300.78**

Note No 3: Inventories **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Finished Goods	960.96	1,977.13	676.62	1,594.19
Packing Material	18.70	25.38	21.62	11.54
Raw Material	2,945.97	1,171.70	739.59	478.26
Semi-Finished Goods	872.08	997.13	1,258.79	584.98
Total	**4,797.71**	**4,171.35**	**2,696.63**	**2,668.97**

For Capital Work in Progress, there is no completion is overdue or has exceeded its cost compared to its original plan.

Note No 4: Trade Receivables **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade Receivables -Considered Good - Unsecured	6,810.26	3,873.05	4,380.57	2,030.27
Total	**6,810.26**	**3,873.05**	**4,380.57**	**2,030.27**

Note No 4.1: Ageing schedule of Trade Receivables: **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Not Due	694.04	215.54	-	-
Due less than 3 months	172.20	2,403.37	3,166.42	1,363.03
Due for 3 to 6 months	2,067.75	18.52	989.54	253.04
Due for more than 6 months to 1 year	3644.77	134.40	21.86	51.11
Due for more than 1 year to 2 years	0.57	898.43	-	18.95
Due for more than 2 to 3 years	36.89	12.88	0.40	-
Due for more than 3 years	194.03	189.91	202.35	344.14
Total	**6,810.26**	**3,873.05**	**4,380.57**	**2,030.27**

Note No 05: Cash And Cash Equivalents **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
a. Cash on Hand	146.31	227.05	61.64	153.14
b. Balance with Banks				
(i) in Current Accounts	0.32	0.39	0.72	1.09
Total	**146.64**	**227.45**	**62.36**	**154.23**

Note No 06: Current Financial Assets- Investments **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Fixed Deposits at Bank	88.54	84.51	79.45	76.89
Investment in Branch		-	311.29	98.45
Total	**88.54**	**84.51**	**390.74**	**175.33**

Note No 07: Current Financial Assets- Loans **(Rs. In Lakhs)**

Particulars	As at 31st Janjary, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Loans and Advances	247.75	139.04	34.55	23.36
Total	**247.75**	**139.04**	**34.55**	**23.36**

Note No 08: Current Other Financial Assets **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Security Deposits	32.78	32.31	29.80	18.82
Pre-paid Expenses	104.64	23.50	14.99	20.17
Total	**137.42**	**55.81**	**44.79**	**38.99**

Note No 09: Other Current Assets **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Advance to Suppliers	1,566.55	1,497.19	970.31	621.65
Goods & Service Tax		21.09	-	60.16
TCS Receivable	0.30	0.89	0.85	0.85
Total	**1,56.85**	**1,519.17**	**971.17**	**682.66**

Note No 10: Equity Share Capital

Share Capital	As at 31st January, 2025		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs
Authorised								
Equity Shares of Rs.10 each	5,50,00,000	5,500.00	1,60,00,000	1,600.00	1,50,00,000	1,500.00	1,500.00	1,500.00
Equity Shares of Rs.100 each	-	-	-	-	-	-	-	-
Issued								
Equity Shares of Rs.10 each	3,98,51,500	3,985.15	1,60,00,000	1,600.00	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Equity Shares of Rs.100 each	-	-	-	-		-	-	-
Subscribed & Paid up								
Equity Shares of Rs.10 each fully paid up	3,98,51,500	3,985.15	1,60,00,000	1,600.00	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Equity Shares of Rs.100 each	-	-	-	-	-	-	-	-
Total	**3,98,51,500**	**3,985.15**	**1,60,00,000**	**1,600.00**	**1,20,00,000**	**1,200.00**	**1,20,00,000**	**1,200**

Reconciliation Of Number of Shares

Particulars	Equity Shares		Equity Shares		Equity Shares		Equity Shares	
	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs	Number	Amt. Rs. In Lakhs
*Shares outstanding at the beginning of the year	1,60,00,000	1,600.00	1,20,00,000	1,200.00	1,20,00,000	1,200.00	1,20,00,000	1,200.00
Rights Share issued to Directors & Promotors Group	2,38,51,500	2,385.15	40,00,000	400.00	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	3,98,51,500	3,985.15	1,60,00,000	1,600.00	1,20,00,000	1,200.00	1,20,00,000	1,200.00

The Face value of share is considered Rs 10 instead of Rs 10 in the beginning of the year

The Company has only one class of equity shares having a per value of Rs. 10/- Per Share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares by the shareholders.

Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.

Name of Shareholder	As at 31st January, 2025		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Meet A.Vachhani	94,08,000	23.61%	16,88,000.00	10.55%	10,16,000.00	8.47%	10,16,000.00	8.47%
Punit Rasadia	1,85,92,000	46.65%	23,12,000.00	14.45%	9,84,000.00	8.20%	9,84,000.00	8.20%
Asia Pharmparter Co. Ltd.	-	-	40,00,000.00	25.00%	40,00,000.00	33.33%	40,00,000.00	33.33%
BAN Labs Private Limited	8,00,000.00	2.01%	8,00,000.00	5.00%	54,00,000.00	45.00%	54,00,000.00	45.00%
Shree Dwarikadhish Ventures LLP	40,00,000	10.00%	72,00,000.00	45.00%	6,00,000.00	5.00%	6,00,000.00	5.00%
Amitaben Natwarlal Ukani	32,00,000	8.03%						
TOTAL	**3,60,00,000**	**9.34%**	**1,60,00,000.00**	**100.00%**	**1,20,00,000.00**	**100.00%**	**1,20,00,000.00**	**100.00%**

Shareholding of Promoters:

Shares held by promoters at the end of the year	As at 31.01.2025		% Change during the period	As at 31.03.2024		% Change during the year	As at 31.03.2023		% Change during the year	As at 31.03.2022		% Change during the year
Name Of Promoters	No. of shares	% of holding		No. of shares	% of holding		No. of shares	% of holding		No. of shares	% of holding	
Meet A. Vachhani	94,08,000	23.61%	13.06	16,88,000	10.55%	2.08%	10,16,000	8.47%	0.00%	10,16,000	25.40%	8.47%
Punit Rasadia	1,85,92,000	46.65%	32.20	23,12,000	14.45%	6.25%	9,84,000	8.20%	0.00%	9,84,000	8.20%	8.20%
TOTAL	**2,80,00,000**	**70.26%**	**45.26 %**	**40,00,000**	**25.00%**	**8.33%**	**20,00,000**	**16.67%**	**0.00%**	**20,00,000**	**33.60%**	**16.67%**

Note No 11: Other Equity (Rs. In Lakhs)

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31 st March 2022
Retained Earnings				
A. Surplus				
Opening balance	214.31	- 751.41	(1,333.41)	(1,301.59)
(+) Net Profit/(Net Loss) For the current year	1,196.08	965.71	582.00	(10.77)
(-) Deffered Tax	-	-	-	(21.04)
Ind As Adjustment in Secured Loans				
Closing Balance (i)	**1,410.38**	**214.31**	**- 751.41**	**- 1,333.41**
B. Share Premium				
Opening balance	**288.83**	**288.83**	**288.83**	**288.83**
(+) Add Current Year Addition if any	1,502.09	-	-	-
(-) Utalization				
Closing Balance (ii)	**1,790.92**	**288.83**	**288.83**	**288.83**
Total Retained Earnings (i + ii+ iii)	3,201.30	503.14	- 462.57	- 1,044.57
Total	**3,201.30**	**503.14**	**- 462.57**	**- 1,044.57**

Note No 12: Borrowings (Rs. In Lakhs)

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured				
Non- Current Borrowings				
Term Loan	-	-	-	-
From Banks	584.70	1,234.36	1,902.90	2,296.57
Balance	584.70	1,234.36	1,902.90	2,296.57
Unsecured Loans				
Loan from directors	308.68	477.31	306.96	190.70
Intercorporate Deposits	3,346.00	3,346.00	3,246.00	2,416.00
External Commercial Borrowing	-	366.85	361.75	323.42
Sub-Total (a)	**4239.38**	**5424.52**	**5817.61**	**5226.70**
Current Borrowings			-	
Cash Credit from banks	1599.47	1,632.07	821.06	805.61
Packing Credit	400.00	399.73	-	-
Sub-Total (b)	**1999.47**	**2,031.80**	**821.06**	805.61
Total	**6238.86**	**7,456.31**	**6,638.67**	**6,032.30**

Note No. 12.1 Particulars of Long-term Borrowings

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No Pending of Installment
Punjab National Bank (TL-13)	Exclusive Charge on Plant & Machinery,Furniture & Fixtures,Equipments ,Any typ o Fixed assets created out of Bank finance,Factory Land and Building	PPLR+ Applicable Spread	EMI Amount 16.61 EMI Amount 16.60	23
Punjab National Bank (TL-20)		PPLR+ Applicable Spread	EMI Amount 14.20 EMI Amount 8.05	18
Punjab National Bank (TL-3561)		PPLR+ Applicable Spread	EMI Amount 15.00 EMI Amount 5.55	45
Punjab National Bank (TL-39)		PPLR+ Applicable Spread	EMI Amount 4.54 EMI Amount 2.67	27
Punjab National Bank (TL-69)		PPLR+ Applicable Spread		

Particulars of Short Term borrowing

Name of Lender/Type of Loan	Nature of Security	Rate of Interest
Panjab National Bank Cash Credit	Hypothecation of Stock of Raw material, Semi Finished Goods, Finished Goods & Stores and Spares	PPLR+ Applicable Spread
Panjab National Bank Packing Credit		PPLR+ Applicable Spread

Note No 13: Long Term Provisions **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31 st March 2022
Gratuity Payable	24.50	22.05	12.72	9.88
Total	**24.50**	**22.05**	**12.72**	**9.88**

Note No 14: Deferred Tax Assets / Liabilities **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Deferred Tax (Assets) / Liabilities- Net				
-Due to Property, Plant & Equipment	229.35	239.97	231.91	215.75
Total	**229.35**	**239.97**	**231.91**	**215.75**

Note No 15: Trade Payables **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31 st March 2022
Outstatnding dues of creditors micro enterprises and small enterprises				
Less than 01 Years	44.42	40.50	1.64	0.32
01-02 Years		-	-	-
02-03 Years			-	-
More than 3 Years		-	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises				
Not Due	234.11	167.90	6.46	4.98
Outstanding for Following Period from Due date				
Less than 01 Years	171.24	773.83	1,862.25	905.78
01-02 Years	92.25	339.14	2.55	96.50
02-03 Years	58.51	2.03	95.04	142.66
More than 3 Years	699.17	675.82	564.70	373.07
Total	**1299.69**	**1,999.22**	**2,532.65**	**1,523.31**

Note: The company management has informed us that they have requested MSME status and Udyam Aadhar Certificates from the suppliers. However, only a few suppliers have responded, based on which the MSME classification has been provided for our verification. We have relied on the Management Representation Letter for reporting under this clause.

Note No 16: Current Provisions **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision For Employee Benefits				
Provident funds Payable	2.92	20.98	23.22	16.00
Professional Tax	0.19	1.91	**1.62**	2.79
Salary Payable	84.28	68.86	58.23	30.34
Provision for Income tax				

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Income Tax	194.69	102.50	101.16	-
Other Provisions				
Audit Fees Payable	1.4	1.40	0.40	0.40
Expanses Payable		21.65	10.58	0.07
Corporate Social Responsibility	10.01			
Total	**293.48**	**217.31**	**195.22**	**49.60**

Note No 17: Other Current Liabilities **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Goods & Services Tax Payable	7.50	-	187.19	-
Tax Deducted at Source	8.39	27.57	28.42063	18.17
Current Maturity of Long-Term Debts	769.88	668.52	393.69	206.06
Advance from Customers	37.82	65.99	196.91	286.72
Total	**823.60**	**762.08**	**806.20**	**510.95**

Note No :18 Revenue From Operations **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Domestic Sales	7333.74	**5,997.25**	**10,085.13**	**4768.14**
Export Sales	391.09	661.13	1,202.62	946.13
Total	**7724.84**	**6,658.37**	**11,287.74**	**5,714.27**

Note No :19 Other Income **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Export Draw Back	4.65	**3.25**	20.23	10.45
Interest on Deposits	-	1.57	0.88	0.80
Interest on Fixed Deposits	3.92	5.57	2.85	8.44
Interest on IT Refund	-	0.43	-	-
Discount Received	-	-	0.29	-
Fright Charges	4.06	-	-	3.72
Job work Expenses	-	-	-	14.17
Commission Income	-	-	-	1.79
Total	**12.63**	**10.82**	**24.25**	**39.37**

Note No :20 Cost Of Material Consumed **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Stock of Raw Material	1,171.70	739.59	478.26	388.25
Add: Purchases				
Domestic Raw Material	5582.45	4,821.52	8,812.53	4,839.15
Imported Raw Material	-	15.76	-	-
Less Closing Stock of Raw Material	**2945.97**	**1,171.70**	**739.59**	478.26
Total Raw Material Consumed	**3808.18**	**4,405.17**	**8,551.20**	**4,749.14**

Note No :20.01 Changes In Inventories **(Rs. In Lakhs)**

ah	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Inventories at the beginning of the year				
Finished Goods	1,977.13	676.62	1,594.19	1,055.46
Semi-Finished Goods	997.13	1,258.79	584.98	708.13
Consumables	-	-	-	
Inventories at the end of the year				
Finished Goods	960.96	1,977.13	676.62	1,594.19
Semi-Finished Goods	872.08	997.13	1,258.79	584.98
Consumables	-			
Net (Increase)/decrease	**1141.23**	**1,038.86**	**243.76**	**415.57**

Note No :20.02 **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Stock of Packing Material	25.38	21.62	11.54	13.00
Packing Material Purchased	19.79	34.03	30.53	36.46
Closing Stock of Packing Material	18.70	25.38	21.62	11.54
Consumption of Packing Material	**26.48**	**30.27**	**20.45**	**37.92**

Note No :21 Employee Benefits Expenses **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Salaries and Wages	332.44	386.86	331.90	242.43
Managerial Remuneration	35.00	42.00	39.00	36.00
Bonus Expenses	13.79	12.65	9.14	7.58
Gratuity Expenses	3.95	2.25	2.24	1.36
Medical Expenses	0.12	1.10	1.72	1.37
Leave Encashments	2.04	1.83	1.85	1.16
Labour Welfare Expenses	0.04	0.05	0.06	0.02
Employee PF and ESI	16.28	21.75	18.11	14.39
Provision for Gratuity	2.45	9.33	2.84	9.88
Total	406.11	**477.82**	**406.87**	**314.18**

Note No :22 Finance Cost **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Bank Charges	2.79	2.25	2.98	1.67
Bank Commission	0.75	0.02	0.07	-
Cash Credit Processing Charges	6.66	5.36	3.30	5.45
Foreign Bank Charges	0.06	0.13	0.29	0.40
Term Loan Processing Charges	1.62	1.39	7.20	3.27
Interest on working Capital	132.42	136.51	101.75	96.15
Interest on Packing Credit	24.12	12.98	-	106.76
Interest on Term Loans	146.77	234.43	264.18	193.46
Total	315.19	**393.07**	**379.78**	**407.16**

Note No :23 Depreciation and Amortisation (Rs. In Lakhs)

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Depreciation Exp	156.00	188.75	186.64	184.18
Total	**156.00**	**188.75**	**186.64**	**184.18**

Note No :24 Other Expenses (Rs. In Lakhs)

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Freight Expenses	15.22	47.12	39.51	32.31
Packing & forwarding	0.05	0.01	0.03	0.09
Power & Fuel	78.53	210.24	194.87	123.35
Crain Job Work		0.80	-	-
Disposal Expense	16.83	9.79	10.33	1.83
Fuel Expense (Boiler)	67.98	187.39	180.12	81.98
Job Work Expenses	45.69	221.98	1.74	31.72
Production Expenses	11.08	20.12	19.98	14.96
Water Treatment Exp	2.29	2.03	2.79	1.63
Entertainment Expenses	4.89	7.86	8.68	7.40
Freight Forwarding Charges	0.13	0.93	-	-
Insurance Expense	14.34	13.32	14.88	15.73
Interest Expense (Other)	8.19	7.49	12.96	14.23
Late Fees	0.06	0.00	0.66	3.12
Marketing Expenses	109.10	139.01	10.94	6.33
Professional Fees	28.17	41.73	41.10	17.30
Rent Expenses	9.62	7.63	7.27	5.42
Repair & Maintenance	52.49	121.16	92.59	46.94
Research & Development Exp	1.88	2.99	2.27	3.04
Audit Fees	1.00	1.00	-	0.05
Calibration Charges	6.59	12.39	2.99	0.42
Canteen Expenses	5.09	17.13	14.98	10.39
Discount Expense		19.02	7.32	0.05
Donation Expense	0.81	0.07	-	0.02
Factory Expense	3.84	5.11	3.01	2.50
Factory Expense (Labour Work)		0.40	0.29	-
Forex Exchange Rate Difference	17.40	3.17	38.18	0.66
Freight Forwarding Charges	3.70	39.91	39.89	15.44
GST on Forex Sale/Purchase	0.17	0.07	0.28	0.05
Hotel Expenses	2.26	0.95	0.26	-
Housekeeping Expenses	1.43	1.66	1.55	1.17
Installation Charges	5.11			
Interest on MAT	14.81	16.25	-	-
Internet Expense	2.61	0.95	1.00	0.98
Labour Charges(P&M)		0.08	-	0.82
Legal Fees	6.37	6.61	6.05	3.07
License Fees (Foreign)		4.54	-	-
Membership & Subscription	0.52	0.31	1.66	2.27
Misc. Expenses	0.92	0.60	0.88	2.47
Office Expenses	0.60	0.50	0.68	0.02
Packing & Forwarding Exp. (E)	0.01	0.14	0.18	-
Postage & Courier Charges	1.89	1.52	2.30	1.96
Printing Expenses	6.60	5.83	3.98	2.23
Loss on Vehicle sale	0.55			
QC Expenses	27.93	34.03	33.55	20.77
Round Off		0.09	0.00	0.00
Safety Tools Expense	2.18	8.79	5.50	1.82
Security Services Expenses	6.69	7.91	7.02	6.67
Stationery Expenses	3.98	2.21	2.09	1.43

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Telephone Expense	0.67	0.96	0.87	0.82
Vehicle Fuel Expense	2.94	4.04	4.19	2.62
Commission Expenses	2.10	-	4.04	-
Adverstiment Expenses	0.38		0.53	1.35
Consumption of Packing Material	26.48	30.27	20.45	37.92
Professional Tax	0.029			
Rates & Taxes	0.42			
Corporate Social Responsibility (Provision)	10.01	-	-	-
Total	**632.89**	**1,268.12**	**844.44**	**525.33**

Note No :25 Tax Expense **(Rs. In Lakhs)**

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Tax				
In respect of Current Year	194.69	102.50	(101.16)	
Deffered Tax				
Deffered Tax charge / (credit) for the year	(10.61)	8.06	16.15	58.36
MAT Credit Entitlement	(102.29)	101.16		
Total	**81.79**	**110.56**	**-85.01**	**58.36**

Note No :26 Contingent Liabilities **(Rs. In Lakhs)**

Contingent Liabilities	As of 31st January, 2025	Fiscal 2024	Fiscal 2023	Fiscal 2022
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2020	92.28	92.28	92.28	-
Demand under section 73 of Goods & Services Tax Act pertaining to Fiscal 2018	23.00	23.00	-	-

Note No. 1: The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FY 2019-20 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
Note No. 2: The Company has received a demand notice under Section 73 of the Goods and Services Tax Act, 2017 for the FYl 2017-18 regarding Input Tax Credit matters and has filed an appeal with the Assistant Commissioner of GST, Ghatak - 93, Rajkot.
Note No 3: As of the balance sheet date, there was a contingent liability of Rs 113.24 Lacs arising from notices issued under Section 73 of the Goods & Services Tax Act. However, a drop order from the GST Department was received on February 17, 2025. In reporting this, we have considered it a 'Non-Adjusting Event' as defined in the applicable accounting standard. Consequently, the contingent liability related to this notice has been omitted from this clause.

Annexure VI: Restated Ratios

Sr No.	Ratios	Numerator	Denominator	As at January 31, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	Variance	Variance	Variance	Variance
1	Current Ratio	Current Assets	Current Liabilities	3.12	2.01	1.97	2.00	55.42%	2.01%	-1.40%	44.91%
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.87	3.55	9.00	38.81	-75.51%	-60.62%	-76.80%	35.97%
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	0.71	1.49	1.46	0.56	-52.25%	0.02	162.39%	-132.90%
4	Return on Equity Ratio	NPAT less Pref Dividend	Shareholder's Equity	16.94%	67.99%	130.37%	-6.29%	-75.09%	-47.84%	-2173.38%	-99.43%
5	Inventory Turnover Ratio	COGS	Avg Inventory	1.85	4.61	14.04	10.96	-59.87%	-67.18%	28.11%	179.61%
6	Trade Receivables turnover ratio	Net Credit Sales	Avg Trade Receivables	1.01	1.61	3.52	4.36	-37.32%	-0.54	-19.15%	-19.00%
7	Trade Payables turnover ratio	Net Credit Purchases	Avg Trade Payables	3.01	2.15	4.35	3.70	39.91%	-0.50	17.45%	35.38%
8	Net Capital turnover ratio (in %)	Net Sales	Avg Working Capital	0.85	1.52	3.40	3.16	-43.82%	-55.39%	7.71%	4.90%
9	Net Profit Ratio (in %)	NPAT	Net Sales	15.48	14.50	5.16	-0.19	-6.76%	181.30%	2834.87%	-99.71%
10	Return on Capital Employed (in %)	EBIT	Capital Employed	13.03	16.29	17.16	9.38	-20.01%	-5.09%	82.89%	-199.58%
11	Gross Profit Ratio (in %)	Gross Profit	Sales	50.70	33.84	24.24	16.89	49.83%	39.58%	43.54%	99.92%

Sr No.	Ratios	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
		Up to 31.01.2025	FY 2023-24 -FY 2022-23	FY 2022-23 -FY 2021-22
1	Current Ratio	The current ratio increased from 2.01 times as of March 31, 2024, to 3.12 times as of January 31, 2025, primarily due to an increase in current assets from ₹10,070.38 lakhs to ₹13,795.16 lakhs, driven by a significant rise in trade receivables.	Not applicable	Not applicable
2	Debt-Equity Ratio	The debt-equity ratio decreased as of January 31, 2025, due to the company's repayment of total debts amounting to ₹1,217.46 lakhs and the total equity increased by ₹5,083.31 lakhs during the financial year 2024-25, compared to the previous financial year.	In the financial year 2023-24, the company took on additional debts totalling Rs 817.49 Lacs. However, due to improved profit margins, the Debt-Equity Ratio has also improved	Due to improved profit margins, the Debt-Equity Ratio has strengthened
3	Debt Service Coverage Ratio	The DSCR decreased as of January 31, 2025, despite an increase in EBITDA from ₹1,546.12 lakhs to ₹1,736.42 lakhs, due to a higher rise in debt servicing obligations amounting to ₹1,401.22 lakhs compared to the previous financial year.	Not applicable	Due to Improvement in Net profit DSCR has been improved
4	Return on Equity Ratio	The ROE decreased from 67.99% to 16.94% as of January 31, 2025, primarily due to an increase in both Profit After Tax (PAT) and average shareholders' equity compared to the previous financial year.	Due to Improvement in operating Margins & PAT in FY 2023-24 Return on Capital Employed improved	Due to Improvement in operating Margins & PAT in FY Return on Capital Employed improved
5	Inventory Turnover Ratio	The inventory turnover ratio decreased from 4.61 times to 1.85 times as of January 31, 2025, due to a decline in Cost of Goods Sold (COGS) and an increase in average stock compared to the previous financial year.	In the current financial year, the company's sales have decreased by 41%, while the average closing stock has increased by 51%, impacting the inventory turnover ratio	The company achieved its highest sales in the financial year 2022-23, amounting to Rs 112.87 crore, representing an approximate 97.54% improvement compared to the previous year, which has positively impacted the inventory turnover ratio
6	Trade Receivables turnover ratio	The Trade Receivable Turnover ratio decreased from 1.61 times to 1.01 times as of 31st January, 2025, due to a 16.02% increase	Not applicable	Not applicable

Sr No.	Ratios	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
		Up to 31.01.2025	**FY 2023-24 -FY 2022-23**	**FY 2022-23 -FY 2021-22**
		in sales while average trade receivables surged by 85.09%. This indicates slower collection of receivables relative to sales growth.		
7	Trade Payables turnover ratio	The Trade Payable Turnover ratio increased from 2.15 times to 3.01 times as of 31st January, 2025, due to a 15.40% increase in credit purchases, while average trade payables decreased by 17.52%. This reflects faster payments to suppliers relative to credit purchases.	Not applicable	Not applicable
8	Net Capital turnover Ratio (in %)	The net capital turnover ratio decreased from 1.52 times to 0.85 times as of January 31, 2025, despite a 16.02% increase in net sales, due to a significant 106.52% increase in average working capital compared to the previous financial year.	In the financial year 2023-24, the company's net sales decreased by 41%, and, in addition, the average working capital increased by 31%, leading to a deterioration in the net capital turnover ratio.	Not applicable
9	Net Profit Ratio (in %)	Not applicable	In the current financial year, the company received orders for certain temporary items from customers. Due to extensive research and increased production capacity, the company was able to achieve higher profit margins on these temporary orders, which improved its gross and net profits	In the financial year 2022-23, the company achieved a 97.54% improvement in sales. The fixed costs were covered by the additional margins gained from increased sales, which led to an improvement in both gross profit and net profit
10	Return on Capital Employed (in %)	Not applicable	Not applicable	In the financial year 2022-23, the company achieved a 97.54% improvement in sales. EBIT has doubled compared to the previous year, improving this ratio
11	Gross Profit Ratio (in %)	The gross profit ratio increased from 33.84% to 50.70% as of January 31, 2025, primarily due to a 14% decrease in Cost of Goods Sold (COGS) compared to the previous financial	In the current financial year, the company received orders for certain temporary items from customers. Due to extensive research and increased production capacity, the	In the financial year 2022-23, the company achieved a 97.54% improvement in sales. The fixed costs were covered by the additional margins gained from increased sales, which

Sr No.	Ratios	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year	Explanation for any change in ratio by more than 25% as compared to preceding year
		Up to 31.01.2025	**FY 2023-24 -FY 2022-23**	**FY 2022-23 -FY 2021-22**
		year. In the current financial year, the company received orders for certain temporary items from customers. Due to extensive research and increased production capacity, the company was able to achieve higher profit margins on these temporary orders, which improved its gross and net profits	company was able to achieve higher profit margins on these temporary orders, which improved its gross and net profits	led to an improvement in both gross profit and net profit

(a) Current Ratio = Current Assets / Current Liabilities
(b) Debt- equity ratio = Total debt / Shareholders' equity
(c) Debt service coverage ratio = EBITDA/(Principal + Interest)
(d) Return on equity ratio= Net profit after taxes / Avg Shareholder's Equity
(e) Inventory turnover ratio=Cost of goods sold or sales/Average inventory
(f) Trade receivables turnover ratio= Revenue from Operations /Average trade receivables
(g) Trade payables turnover ratio=Direct Expenses/Average trade payables
(h) Net Capital turnover ratio=Net sales/Average working capital
(i) Net profit ratio=Net profit after taxes/Total Revenue
(j) Return on capital employed=Earnings before interest and taxes/Capital employed.
(k) Gross Profit Ratio= Gross Profit/ Net Sales.

Annexure: VII Restated Earnings Per Share and other accounting ratios

Sr. No.	Particulars	Formula	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
1	**Current Ratio**	Current Asset/ Current Liability	**3.12**	**2.01**	**1.97**	**2.00**
	Current Asset		13795.16	10,070.38	8,580.80	5,773.81
	Current Liability		4,416.25	5,010.41	4,355.13	2,889.46
2	**Debt to Equity Ratio**	Total Debt/Shareholder's Equity	**0.87**	**3.55**	**9.00**	**38.81**
	Long term debt		4239.38	5,424.52	5,817.61	5,226.70
	Short term debt		1999.47	2,031.80	821.06	805.61
	Total Debt		**6238.86**	**7,456.31**	**6,638.67**	**6,032.30**
	Total Equity		**7186.45**	**2,103.14**	**737.43**	**155.43**
3	**Debt Service Coverage Ratio**	EBITDA / (Principal + Interest)	**0.71**	**1.49**	**1.46**	**0.56**
	PBT		1277.87	975.11	699.32	(10.77)
	Interest		315.19	393.07	379.78	407.16
	Depreciation		156.00	188.75	186.64	184.18
	Other Income		12.63	10.82	24.25	39.37
	EBITDA		**1736.42**	**1,546.12**	**1,241.48**	**541.19**
	Total Debts Repaid + Interest		2437.45	1,036.23	850.43	972.74
	Debt Service		**2437.45**	**1,036.23**	850.43	**972.74**
4	**Return on Equity**	PAT / Avg Shareholder's Equity	**16.94%**	**67.99%**	**130.37%**	**-6.29%**
	PAT		1196.08	965.71	582.00	-10.77
	Avg Shareholder's Equity		7061.34	1,420.28	446.43	171.33
5	**Inventory Turnover Ratio**	COGS / Avg Stock	**1.85**	**4.61**	**14.04**	**10.96**
	Opening Stock		1,171.70	739.59	478.26	388.25
	Purchases during the year		5582.45	4,837.28	8,812.53	4,839.15
	Closing Stock		2945.97	1,171.70	739.59	478.26
	COGS		**3808.18**	**4,405.17**	**8,551.20**	**4,749.14**
	Average Stock		**2058.83**	**955.64**	**608.93**	**433.26**
6	**Trade Receivables turnover ratio**	Net Credit Sales/Avg Trade Receivables	**1.07**	**1.61**	**3.52**	**4.36**
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
	Avg Trade Receivables		7638.27	4,126.81	3,205.42	1,311.97
7	**Trade Payables turnover ratio**	Net Credit Purchases/Avg Trade Payables	**3.01**	**2.15**	**4.35**	**3.70**
	Net Credit Purchases		5582.45	4,837.28	8,812.53	4,839.15
	Avg Trade Payables		1851.66	2,244.86	2,027.00	1,307.26
8	**Net Capital turnover ratio**	Net Sales/Avg Capital Employed	**0.85**	**1.52**	**3.40**	**3.16**

Sr. No.	Particulars	Formula	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
	Avg Working Capital		9065.34	4,389.50	3,319.88	1,810.22
9	**Net Profit Ratio (in Percentage)**	Net profit After Tax/Net Sales	**15.48**	**14.50**	**5.16**	**-0.19**
	Net profit After Tax		1196.08	965.71	582.00	-10.77
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
10	**Return on Capital Employed**	EBIT/ Capital Employed	**13.03**	**16.29**	**17.16**	**9.38**
	EBIT		1749.06	1,556.94	1,265.74	580.57
	Capital Employed		13425.31	9,559.45	7,376.10	6,187.73
12	**Gross Profit Ratio**	Gross profit /Net Sales	**50.70**	**33.84**	**24.24**	**16.89**
	Gross profit		3916.66	2,253.20	2,736.54	965.13
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27

RESTATED EARNING PER SHARE

Ratios	For the period ended 31st January, 2025	For the period ended 31st March-2024	For the period ended 31st March-2023	For the period ended 31st March-2022
Restated PAT as per P&L Account	1196.08	965.71	582.00	-10.77
Weighted Average Number of Equity Shares at the end of the Year/Period	2,57,17,288	1,44,51,112	1,20,00,000	1,20,00,000
No. of equity shares at the end of the year/period	3,98,51,500	1,60,00,000	1,20,00,000	1,20,00,000
Net Worth	7186.45	2,103.14	737.43	155.43
EBDITA	1749.06	1,556.94	1,265.74	580.57
Earnings Per Share	4.65	6.68	4.85	(0.09)
Return on Net Worth (%)	16.64%	45.92%	78.92	(6.93)
Net Asset Value Per Share (Rs)	18.03	13.14	6.15	1.30
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

Annexure-VIII Related Party Transactions

(a) Key managerial Personal

Sr.no	Name of the person	Designation
1	Meet Vachhani	Whole Time Director
2	Punit Rasadia	Managing Director
3	Amita Pragada	Key Managerial personnel
4	Hitesh Makawana	Key Managerial personnel

(b) Close members of family of Key Managerial Personnel and / or their close member of family have control or significant influence with whom transactions have taken place during the year.

(c) Entities in which Key Managerial Personnel and / or their close member of family have control or significant influence with whom transactions have taken place during the year.

1	Anlon Chemical Research Organization	KMP interested
2	Leo Corporation	KMP interested

Details of transaction **(Rs. In Lakhs)**

Sr. No	Name of Transaction	Relation	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
1	**Directors Remuneration**	Meet Vachhani (Whole Time Director)	11.67	14.00	13.00	12.00
		Punit Rasadia (Managing Director)	23.33	28.00	26.00	24.00
2	**Repayment of Unsecured Loans**	Meet Vachhani (Whole Time Director)	239.19	995.99	151.50	122.30
		Punit Rasadia (Managing Director)	135.90	1,387.03	610.89	634.25
3	**Acceptance of Unsecured Loans**	Meet Vachhani (Whole Time Director)	266.90	982.49	151.25	202.64
		Punit Rasadia (Managing Director)	639.56			
4	**Net Purchase of Goods**	Anlon Chemical Research Organization	150.62	644.01	3,495.15	1,733.73
5	**Net Sales of Goods**	Anlon Chemical Research Organization	539.09	-	-	-
6	**Advance to Supplier**	Anlon Chemical Research Organization	-	-	130.69	-
7	**Sales of Assets**	Leo Corporation	320.45			

Sr. No	Name of Transaction	Relation	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
8	**Right Issue of Equity Shares**	Meet Vachhani (Whole Time Director)	336.00			
		67,20,000 Equity Share alloted to Meet Vachhani (Face Value INR 10 Paid Up Value INR 05)				
		672000 Equity Share alloted to Meet Vachhani (Face Value INR 10 Paid Up Value INR 10)		67.20		
		Punit Rasadia (Managing Director)	664.00			
		13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 05)				
		13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 10)		132.80		
9	**Preferential allotment of equity shares**	Meet Vachhani (Whole Time Director)	336.00			
		67,20,000 Equity Share alloted to Meet Vachhani Face Value INR 10 Paid Up Value INR 05)				
		Punit Rasadia (Managing Director)	664.00			
		13280000 Party Paid up Equity Share alloted to Punit Rasadia (Face Value INR 10 Paid Up Value INR 05)				
	Balance Outstanding	Nature of Outstanding Balance				
	Meet Vachhani (Whole Time Director)	Unsecured Loans	204.37	176.65	190.16	178.20
	Punit Rasadia (Managing Director)	Unsecured Loans	104.31	300.65	116.80	12.50
	Anlon Chemical Research Organization	Sundry Creditors	-	13.33	127.45	-
	Anlon Chemical Research Organization	Sundry Receivable	33.00	-	-	499.28
	Leo Corporation	Amount Receivable for Sales of Assets	320.45			

Annexure IX Statement of Tax Shelters

(Rs. In Lakhs)

Particulars	As at 31st January, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Profit before tax as per books (A)	1277.81	975.11	699.32	(10.77)
Normal Corporate Tax Rate (%)	27.82%	25.17%	25.17%	25.17%
Normal Corporate Tax Rate (Other Source) (%)	27.82%	26.00%	25.17%	25.17%
MAT Rates	15.06%	16.65%	16.65%	16.65%
Tax at notional rate of profits	355.50	245.44	176.02	-
Adjustments:				
Permanent Differences(B)				
Expenses disallowed/Income disallowed under Income Tax Act, 1961	2.45	17.63	28.49	6.04
Ind As Adjustment	12.45	13.28	-24.17	14.7
Total Permanent Differences(B)	**14.91**	**30.91**	**4.32**	**20.76**
Timing Differences (C)				
Difference between tax depreciation and book depreciation	(6.43)	(44.00)	(62.13)	(94.60)
Depreciation as per P & L A/c	156.00	188.75	186.64	184.18
Depreciation as per Income tax	162.43	232.75	248.77	278.78
Total Timing Differences (C)	**(6.43)**	**(44.00)**	**(62.13)**	**(94.60)**
Net Adjustments D = (B+C)	**8.48**	**(13.09)**	**(57.81)**	**(73.83)**
Tax expense / (saving) thereon	2.36	(3.29)	(14.55)	(18.58)
Loss of P.Y. Brought Forward & Adjusted(H)	**602.39**	**960.49**	**644.34**	**93.85**
Brought Forward Business Loss/Unabsorbed Depreciation	602.39	881.20	640.61	93.85
Brought Forward Capital Gain loss	-	79.29	3.73	-
Taxable Income/(Loss) (A+D-E-H)	**683.96**	**1.53**	**-**	**-**
Taxable Income/(Loss) as per MAT	1290.32	988.39	675.15	3.95
Unaborbed depreciation or Business loss which ever less as per Books of account		-372.78	-	-
Tax as per MAT	194.69	102.50	116.44	-1.79
Tax as per Normal Calculation	190.28	0.39	-	-
Income Tax as returned/computed	-	0.39	-	-
Interest Payable		-	-	-
Tax paid as per normal or MAT	MAT	MAT	MAT	Normal

Annexure X: Capitalisation Statement as at 31st January, 2025 (Rs. In Lakhs)

Particulars	Pre-Issue	Post Issue
Borrowings		
Long Term Borrowings	5009.27	5009.27
Short term Borrowings	1999.47	1999.47
Total debts (C)	**7008.74**	7008.74
Shareholders' funds		
Equity share capital	3985.15	[●]
Reserve and surplus - as restated	3201.30	[●]
Total shareholders' funds	**7186.45**	[●]
Long term debt / shareholders' funds	0.39	[●]
Total debt / shareholders' funds	0.98	[●]

Notes: Details of post issue shall be updated at the time of filing RHP/Prospectus,

OTHER FINANCIAL INFORMATION

Restated Earnings Per Share and other accounting ratios

Sr. No.	Particulars	Formula	As at	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
1	**Current Ratio**	Current Asset/ Current Liability	**3.12**	**2.01**	**1.97**	**2.00**
	Current Asset		13795.16	10,070.38	8,580.80	5,773.81
	Current Liability		4,416.25	5,010.41	4,355.13	2,889.46
2	**Debt to Equity Ratio**	Total Debt/Shareholder's Equity	**0.87**	**3.55**	**9.00**	**38.81**
	Long term debt		4239.38	5,424.52	5,817.61	5,226.70
	Short term debt		1999.47	2,031.80	821.06	805.61
	Total Debt		**6238.86**	**7,456.31**	**6,638.67**	**6,032.30**
	Total Equity		**7186.45**	**2,103.14**	**737.43**	**155.43**
3	**Debt Service Coverage Ratio**	EBITDA / (Principal + Interest)	**0.71**	**1.49**	**1.46**	**0.56**
	PBT		1277.87	975.11	699.32	(10.77)
	Interest		315.19	393.07	379.78	407.16
	Depreciation		156.00	188.75	186.64	184.18
	Other Income		12.63	10.82	24.25	39.37
	EBITDA		**1736.42**	**1,546.12**	**1,241.48**	**541.19**
	Total Debts Repaid + Interest		2437.45	1,036.23	850.43	972.74
	Debt Service		**2437.45**	**1,036.23**	850.43	**972.74**
4	**Return on Equity**	PAT / Avg Shareholder's Equity	**16.94%**	**67.99%**	**130.37%**	**-6.29%**
	PAT		1196.08	965.71	582.00	-10.77
	Avg Shareholder's Equity		7061.34	1,420.28	446.43	171.33
5	**Inventory Turnover Ratio**	COGS / Avg Stock	**1.85**	**4.61**	**14.04**	**10.96**
	Opening Stock		1,171.70	739.59	478.26	388.25
	Purchases during the year		5582.45	4,837.28	8,812.53	4,839.15
	Closing Stock		2945.97	1,171.70	739.59	478.26
	COGS		**3808.18**	**4,405.17**	**8,551.20**	**4,749.14**
	Average Stock		**2058.83**	**955.64**	**608.93**	**433.26**
6	**Trade Receivables turnover ratio**	Net Credit Sales/Avg Trade Receivables	**1.07**	**1.61**	**3.52**	**4.36**
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
	Avg Trade Receivables		7638.27	4,126.81	3,205.42	1,311.97
7	**Trade Payables turnover ratio**	Net Credit Purchases/Avg Trade Payables	**3.01**	**2.15**	**4.35**	**3.70**
	Net Credit Purchases		5582.45	4,837.28	8,812.53	4,839.15
	Avg Trade Payables		1851.66	2,244.86	2,027.00	1,307.26
8	**Net Capital turnover ratio**	Net Sales/Avg Capital	**0.85**	**1.52**	**3.40**	**3.16**

Sr. No.	Particulars	Formula	As at	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
		Employed				
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
	Avg Working Capital		9065.34	4,389.50	3,319.88	1,810.22
9	**Net Profit Ratio (in Percentage)**	Net profit After Tax/Net Sales	**15.48**	**14.50**	**5.16**	**-0.19**
	Net profit After Tax		1196.08	965.71	582.00	-10.77
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27
10	**Return on Capital Employed**	EBIT/ Capital Employed	**13.03**	**16.29**	**17.16**	**9.38**
	EBIT		1749.06	1,556.94	1,265.74	580.57
	Capital Employed		13425.31	9,559.45	7,376.10	6,187.73
12	**Gross Profit Ratio**	Gross profit /Net Sales	**50.70**	**33.84**	**24.24**	**16.89**
	Gross profit		3916.66	2,253.20	2,736.54	965.13
	Net Sales		7724.84	6,658.37	11,287.74	5,714.27

RESTATED EARNING PER SHARE

Ratios	For the period ended 31st January, 2025	For the period ended 31st March-2024	For the period ended 31st March-2023	For the period ended 31st March-2022
Restated PAT as per P&L Account	1196.08	965.71	582.00	-10.77
Weighted Average Number of Equity Shares at the end of the Year/Period	2,57,17,288	1,44,51,112	1,20,00,000	1,20,00,000
No. of equity shares at the end of the year/period	3,98,51,500	1,60,00,000	1,20,00,000	1,20,00,000
Net Worth	7186.45	2,103.14	737.43	155.43
EBDITA	1749.06	1,556.94	1,265.74	580.57
Earnings Per Share	4.65	6.68	4.85	(0.09)
Return on Net Worth (%)	16.64%	45.92%	78.92	(6.93)
Net Asset Value Per Share (Rs)	18.03	13.14	6.15	1.30
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00

CAPITALISATION STATEMENT

Capitalisation Statement as at**31st January, 2025**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue
Borrowings		
Long Term Borrowings	5009.27	5009.27
Short term Borrowings	1999.47	1999.47
Total debts (C)	**7008.74**	7008.74
Shareholders' funds		
Equity share capital	3985.15	[●]
Reserve and surplus - as restated	3201.30	[●]
Total shareholders' funds	**7186.45**	[●]
Long term debt / shareholders' funds	0.39	[●]
Total debt / shareholders' funds	0.98	[●]

Notes: *Details of post issue shall be updated at the time of filing RHP/Prospectus*

FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of our businesses and for funding working capital and business requirements. For details of the borrowing powers of our Board, see "***Our Management- Borrowing Powers***" on page 223.

We have obtained the necessary consents from our secured lender as required under the relevant financing documentation for undertaking the Issue.

The details of the indebtedness of our Company as on January 31, 2025 is provided below;

I. Secured Loans

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as on January 31, 2025 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Combined Security
Punjab National Bank	Cash Credit	1600.00	1599.47	RLLR (Repo 6.50% + Markup 2.50% + BSP 0.25%) + 0.75% (concessional spread as per scheme) =10.00% Subject to change time to time, as per bank's / RBI guidelines and Credit Risk Rating of the borrower	**Primary Security** 1. Exclusive charge over the entire current assets of the company (present & future), including stocks of raw material, stock in process, finished goods, consumables, store & spares, receivable etc. **Collateral Security** 1. Factory land and building situated at R. Survey No. 36/2P2, Anlon Healthcare Nr, Vittoria, B/h markwell. Off Rajkot Gondal National Highway, Pipaliya, Rajkot 360311 North 18.00 mts wide road and adjacent Agri land survey no 35/5 msmt towards it 60-04 mts belonging to M/s Anlon Healthcare Private Limited. 2. Residential house at R.S. No. 51/1, 51/2, 51/3 block no 113, Jnanakpuri Society, off Sadhuvasani road, Rajkot 360005 belonging to Atul Kumar Vechani. 3. Office No. 108 First Floor, Silver Coin, opp Crystal mall, R S No. 111 / Paiki TPS No. 5 OP No. 45/Paiki, Plot No 57, Kalawad Rajkot 360005 belonging to Anlon Chemical Research Organization 4. Office No 101 & 102, First Floor, Silver Coin, opp Crystal mall, R S No. 111 / Paiki TPS No. 5 OP No. 45/ Paiki, Plot No 57, Kalawad Rajkot 360005 belonging to Anlon Chemical Research Organization 5. Flat No. 201, 2nd Floor of "Ravi Kiran" Near Rajpath Apartment, Panchvati main Road Rajkot 360005 belonging to Shantilal
	EPC / PCFC	400.00	400.00	ROI Will Subject to Card Rate at the time of drawdown.	
	PS/PSFC (FOBNLC/ FOUBNLC/ FOBP/ FOUBP/ FABC/ FAUBC) (As sublimit of EPC/PCFC Limit)	400.00	-		
	Term Loan I	503.00	235.21	RLLR (Repo 6.50% + Markup 2.50% + BSP 0.25%) + 0.75% (concessional spread as per scheme) =10.00% Subject to change time to time, as per bank's / RBI guidelines and Credit Risk Rating of the borrower	
	Term Loan II	202.00	121.47		
	WCTL (PC Conversion to WCTL)	900.00	650.55		
	GECL Ext	598.00	366.90	(RR + MU + BSP +Spread (0.80%)) Subject to maximum of 9.25% as per the extant guidelines.	

Name of the Lender	Credit Facility	Sanction Amount (Rs. In Lakhs)	Outstanding Amount as on January 31, 2025 (Rs. In Lakhs)	Interest Rate per Annum (floating rate) (in %)	Combined Security
					Rajivbhai Ladani & Bipinbhai Shantilal Ladani 6. FDR belonging to Anlon Healthcare Private Limited.
Total		**4,203.00**	**3373.60**		

Note:

The Ministry of Corporate Affairs has mandated, via notification dated February 16, 2015, that any company whose equity or debt securities are listed, or are in the process of being listed on any stock exchange in India or abroad, and having a net worth of less than ₹500 crore, must adopt Ind AS, as notified by the Registrar of Companies (Mandatory Conversion to IND as after march-2017).

As the company is in the process of listing, it has converted its accounts from IGAAP to Ind AS, as of March 31, 2024. As a result of this conversion, the balances of secured loans have been restated in accordance with Ind AS 109 on financial instruments.

Reconciliation for Balance as per Books of account and Fair Value is provided as under.

Details Loan	Balance as per Books of account as on January 31, 2025	Fair Value of Loan as on January 31, 2025	Change in Balance due to fair value measurement
Term Loan I	235.21	231.78	3.43
Term Loan II	121.47	118.98	2.49
WCTL (PC Conversion to WCTL)	650.55	636.96	13.59
GECL Ext	366.90	366.86	0.04

Set forth below are the principal terms and covenants of our borrowings.

1. The borrower shall maintain adequate books of accounts as per applicable accounting practices and standards, which should correctly, reflects its financial position and scale of operations and should not radically change its accounting system without notice to the Bank.
2. The borrower shall keep the Bank informed of the happening of any event likely to have a substantial effect on their profit or business
3. The borrower shall not effect any change in borrower's capital structure where the shareholding of the existing promoter(s) gets diluted below current level or 51% of the controlling stake (whichever is lower), without prior permission of the Bank – for which 60 days' prior notice shall be required.
4. Promoter's shares in the borrowing entity should not be pledged to any Bank / NBFC / institution without our prior consent.
5. Each of the following events will attract penal interest/ charges as applicable at rates circulated from time to time, over and above the normal interest applicable in the account excerpt specifically permitted by the competent authority;
    - For the period of overdue interest / instalment in respect of Term Loans and over drawing above the drawing power / limit in Fund based working capital accounts on account of interest / development of letters of credit / bank guarantee, insufficient stocks and receivables etc.
    - Delay in submission of stock statements after 10th of the following month
    - Non-submission of audited balance sheet within 8 months of closer of financial year.
    - Non-submission / delayed submission of Follow-up / Review data such as QRS / QMS information, project progress report etc. wherever stipulated within due date.
    - Non submission of review / renewal data within the due date. Penal interest shall be charged from the next day of the expiry of the limit till date of submission of complete papers.
    - Non-obtention of External credit risk rating from agency approved by the RBI
    - Non-compliance of Terms and condition;
    - Non-payment of demand bills on presentation and non-acceptance / non payment of usance bills on due dates;

- Excess borrowing arising out of excess current assets and
- Extension in validity on sanction

Set forth are the negative covenants under our borrowing agreements

During the terms of the borrowing, our Company without approval of the bank shall not;

1. Undertake any new project, implement any scheme of expansion/diversification or capital expenditure or acquire fixed assets (except normal replacements indicated in fund flow statement submitted to and approved by bank) if such investment results into breach of financial covenants or diversion of working capital funds to financing of long term assets.
2. Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies) / normal trade credit or security deposits in the ordinary course of business or advances to employee can, however, be extended.
3. Declare dividends for any year except out of profits relating to that year after making all due and necessary provisions and provided further that such distribution may be permitted only if no event of default/breach in financial covenants is subsisting in any repayment obligations to the bank.
4. Change the practice with regard to remuneration of Directors by mean of ordinary, remuneration or commission, scale of sitting fees etc, expect where mandated by any legal or regulatory provisions.
5. Undertake any trading activity other than sale of products arising out if its own manufacturing operations.
6. Permit any transfer of the controlling interest or make any drastic change in the management set-up including resignation of promoter directors.
7. No Commission to be paid by borrowers to the guarantor for guaranteeing the credit facilities sanctioned by Bank to the borrowers.
8. Approach capital market for mobilizing additional resources either in the form of debt or equity.

II. Unsecured Loans

The details of unsecured loan obtained by our Company, as on **January 31, 2025** is out as below;

No.	Name of lender	Outstanding Amount as on January 31, 2025 (Rs. In Lakhs)	Rate of Interest	Repayment Terms
1.	BAN Labs Private Limited	3,346.00	Interest Free	On Demand
2.	Punitkumar R. Rasadia	104.31	Interest Free	On Demand
3.	Meet Vachhani	204.37	Interest Free	On Demand

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statement for the ten month-period ended January 31, 2025, Financial Years ended March 31, 2024, 2023 and 2022 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

*Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular fiscal year are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Statement included in this Draft Red Herring Prospectus. For further information, see "**Restated Financial Statement**" on 242. Additionally, see "**Definitions and Abbreviations**" on page 1 for certain terms used in this section. Unless the context otherwise requires, in this section, references to "we", "**us**" and "**our**" "**our Company**" or "**the Company**" refer to Anlon Healthcare Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Report on Pharmaceutical Sector" dated October 7, 2024 and amended on February 20, 2025 prepared and issued by Dun & Bradstreet ("**D&B**"), appointed by us on September 12, 2024, and exclusively commissioned and paid for by us in connection with the Offer ("**D&B Report**"). D&B is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.anlon.in until the Bid/Issue Closing Date. For more information, see **"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which has been commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks"** on page 58.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "**Risk Factors**" and "**Forward Looking Statements**" on pages 32 and 23 respectively, and elsewhere in this Draft Red Herring Prospectus.*

BUSINESS OVERVIEW

We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; and (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our products spans across the family of pharmaceutical intermediates, active pharmaceutical ingredients, nutraceutical APIs and ingredients for personal care and veterinary API. Our active pharmaceutical ingredient products are manufactured in accordance with Indian and international pharmacopeia standards such as IP, BP, EP, JP, USP.

We are one of the few manufacturers of loxoprofen sodium dihydrate in India, which is a notable API widely used in treatment of pain/inflammation association with conditions including rheumatoid arthritis, osteoarthritis, lower back pain, frozen shoulder, neck-shoulder-arm syndrome, tooth pain or after surgery, injury or tooth extraction (*Source: D&B Report*).

In addition to the manufacturing of Pharma Intermediate and APIs in accordance with various domestic and international standards, we have recently started undertaking custom manufacturing services for complex or novel chemical compounds, tailoring the manufacturing process to meet specific customer requirements, including producing chemicals with purity levels that exceed industry standards. Our domain knowledge and expertise enables us to reduce existing impurities and employ appropriate processes to achieve the desired level of purity (source: D&B *Report*).

We also undertake API customization, preparation and filing of Drug Master File ("**DMF**") in the Indian and global markets as per the pharmacopeia requirements of our customers and regulatory agencies. As on date, we have received approval for Drug Master File from (i) Brazilian Health Regulatory Agency ("**ANVISA, Brazil"**) for our API product namely, loxoprofen sodium dihydrate; (ii) National Medical Products Administration, China ("**NMPA, China"**) for our API product namely, loxoprofen sodium dihydrate; (iii) Pharmaceuticals and Medical Devices Agency, Japan ("**PMDA, Japan"**) for our API product namely, loxoprofen sodium dihydrate and loxoprofen acid. Further, as on date, we have filed twenty-one (21) DMF with regulatory authorities of European Union, Russia, Japan, South Korea, Iran, Jordan, Pakistan amongst other and we are in process of filing DMF for approval of Ketoprofen with regulatory authority of USA and Dexketoprofen Trometamol with regulatory authority of Spain, Italy, Germany, Slovenia.

As on the date of this Draft Red Herring Prospectus, our product portfolio consists of sixty-five (65) commercialised products and twenty-eight (28) products which are at pilot stage and forty-nine (49) products which are at laboratory testing stage. For details, see "***Our Business***" on page 183.

Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Statement included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Our key financial performance indicator for Financial Year 2024, Financial Year 2023 and Financial Year 2022 are detailed as below;

(₹ in lakhs, unless stated otherwise)

Parameter	For three month-period ending January 31, 2025	Financial Year 2024	Financial Year 2023	Financial Year 2022
Total income	7,737.47	6,669.19	11,312.00	5753.64
Total revenue from operations (in ₹)	7,724.84	6,658.37	11,287.74	5,714.27
Current Ratio	3.12	2.01	1.97	2.00
EBIDTA	1,749.06	1,556.94	1,265.74	580.57
EBIDTA Margin (in %)	22.61	23.35 %	11.19 %	10.09%
Net Profit	1,196.08	965.71	582.00	(10.77)
Net Profit Margin (in %)	15.48	14.50%	5.16%	(0.19)%
Return on Net Worth (in %)	16.64%	45.92%	78.92%	(6.93)%
Return on Capital Employed (in %)	13.03%	16.29%	17.16%	9.38%
Debt-Equity Ratio	0.87	3.55	9.00	38.81
Debt Service Coverage Ratio	0.71	1.49	1.46	0.56

As certified by our Statutory Auditors vide certificate dated February 17, 2025.

Notes:

(a)	*Total income includes revenue from operation and other income*
(b)	*Revenue from operations represents the Sale of goods in Domestic Market as well as Export Maarket.*
(c)	*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.*
(d)	*EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.*
(e)	*EBITDA margin is calculated as EBITDA as a percentage of total income.*
(f)	*Net Profit for the year represents the restated profits of our Company after deducting all expenses.*
(g)	*Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income.*
(h)	*Return on net worth is calculated as Profit for the year, as restated, attributable to the owners of the Company for the year divided by Average Net worth (average total equity). Average total equity means the average of the aggregate value of the paid-up share capital and other equity of the current and previous financial year.*
(i)	*Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt of the current and previous financial year).*
(j)	*Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short- term borrowings. Total equity is the sum of equity share capital and other equity.*
(k)	*Debt Service Coverage Ratio is calculated by dividing the sum of Profit after Tax and interest amount by sum of the repayment of loan and Interest.*

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO JANUARY 31, 2025:

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months. A few of the below listed developments have taken place since date of the last financial statements disclosed in this Draft Red Herring Prospectus.

For detail, see "***Financial Indebtedness***" on page 280.

KEY FACTORS AFFECTING THE RESULTS OF OPERATION:

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "***Risk Factors***" on page 32. Our Company's future results of operations could be affected potentially by the following factors:

- We operate in a highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. All aspects of our business, including our manufacturing operations and sales and marketing activities, are subject to extensive legislation and regulation by various local, regional, national and overseas regulatory regimes.
- Expansion of our existing product categories.
- Our manufacturing facility is subject to regular audit by our customers and the regulatory authority of their jurisdiction. Our manufacturing facility is audited by 33 customers and/or their regulatory authorities.
- Changes in laws and regulations applicable to our business and in the area in which we operate.
- Company's inability to retain its experienced employees.
- Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties;
- Failure to adapt the changing technology in our industry of operation may adversely affect our business
- Availability and cost of raw material.
- Material outstanding litigations involving our Company, if determined adversely.

OUR SIGNIFICANT ACCOUNTING POLICIES

The notes to the Restated Summary Statements included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. For details relating to our Significant accounting policies, see ***Significant***

Accounting Policies - Annexure V -Restated Financial Statement" beginning on page 249 of the Draft Red Herring Prospectus.

PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS

Set forth below are the principal components of statement of profit and loss from our continuing operations:

Income

Our total income comprises of (i) revenue from operations and (ii) other income.

Revenue from Operations

Revenue from operations comprises of Income generated from sale of manufactured products in domestic market as well as International market.

Other Income

Other income includes (i) interest income, (ii) Export duty draw back (iii) job work income and (iv) commission income.

Expenses

Our expenses comprises of: (i) cost of material consumed; (ii) changes in inventories; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortisation expense; and (vi) other expenses.

Cost of Material Consumed

Cost of material consumed the purchase of various raw material adjusted with opening and closing stock of Raw material.

Change in inventory

Change in inventory includes difference between opening and closing balance of work-in-progress, finished goods as at the beginning and end of the year

Employee Benefits Expense

Employee benefits expenses primarily include (i) salary and wages, (ii) Managerial Remuneration (iii) contribution to employee benefits (gratuity, provident fund and other funds) and (iii) staff welfare expenses.

Finance Cost

Finance cost includes (i) bank interest on Working capital loan; (ii) Interest on term loan (iii) Interest on packing credit limit used for export of goods (iv) bank charges (v) processing fees

Depreciation and Amortisation expenses

Depreciation and amortisation expenses primarily include depreciation expenses on our property, plant and equipment.

Other Expenses

Other expenses include (i) Power and fuel charges; (ii) Packing Material Cost; (iii) Marketing Expenses; (iv) Repairs and Maintenance Expenses; (v) Freight Forward Charges; (vi) Quality control Expenses; (vii) Professional Expenses; (viii) Job work expenses; (ix) Freight Expenses; (x) Fuel Charges ; (xi) Water Charges; (xii) Canteen Expenses; (xiii) office and administrative expenses; (xiv) rent and lease; (xv) Disposal Expenses .

Result for Stub Period

(*amount ₹ in Lakhs*)

Income from continuing operations	January 31, 2025	% of revenue
Revenue from operations	7,724.84	99.84
Total Revenue	7,724.83	
Other Income	12.63	
Total Revenue	7,737.47	100
Expenses		
Cost of Material Consumed	4,949.41	63.97
Employee benefits expense	406.11	5.25
Finance Costs	315.19	4.07
Other expenses	632.89	8.18
Depreciation and amortisation expenses	156	2.02
Total Expenses	6459.6	83.48
EBDITA	1,749.06	22.61
Restated profit before tax from continuing operations	1,277.87	16.52
Total tax expense	81.79	
Restated profit after tax from continuing operations (A)	1,196.08	15.46

Financial Performance

Income from Operations

we are a R&D driven chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our Company's Total revenue form operations for period ended on January 31,2025 was ₹7724.84 lakhs consist of Domestic sale of ₹ 7333.74 lakhs and Export sale of ₹ 391.09 lakhs.

Total Expenditure

The total expenditure for stub period ended on January 31,2025 was ` 6459.60 Lakhs which is 83.48 % of the total revenue for the stub period. The major expenditure which is part of the total expenditure is Cost of Material Consumed of ` 4949.41 lakhs (63.97%), Employee Benefit Expenses of `406.11 lakhs (5.25%), finance cost of `315.19 Lakhs (4.07%) and other Expenses of `632.89 lakhs (8.18%).

EBDITA

The EBDITA for the stub period was `1749.06 lakhs representing 22.61 % of total Revenue.

Profit after Tax

The profit after Tax for the stub period was `1196.08 lakhs representing to 15.46 % of the total revenue.

SELECTED BALANCE SHEET ITEMS
Trade Receivables

Particulars	As at 31st January 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Not Due	694.04	215.54		
Due less than 3 months	172.20	2403.37	3,166.42	1,363.03
Due for 3 to 6 months	2067.75	18.52	989.54	253.04
Due for more than 6 months to 1 year	3644.77	134.40	21.86	51.11

Particulars	As at 31st January 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Due for more than 1 year to 2 years	0.57	898.43	-	18.95
Due for more than 2 to 3 years	36.89	12.88	0.40	-
Due for more than 3 years	194.03	189.91	202.35	344.14
Total	**6810.26**	**3873.05**	**4,380.57**	**2,030.27**

Out of the trade receivables of ` 6810.26 lakhs as on January 31, 2025 which is 88.16 % of the total revenue , the receivables outstanding for more than 6 months to 1 year are 3644.77 lakhs. The Company had sold goods to 2615.73 Lakhs to Aadishwar Excipients Private Limited and outstanding from the said party was `2440.89 Lakhs. The Promoter of the Company was expired on road accident in August 2024. There were no successor in the company and one of the married daughter has started to manage the operations from September 2024 and promised to due payments before end of March 31,2025. The total customers from the amount to be received are Thirty Eight and the recovery from the customers are slow.

Trade Payables

Particulars	As at 31st January 2025	As at 31st March 2024	As at 31st March 2023	As at 31 st March 2022
<u>Outstanding dues of creditors micro enterprises and small enterprises</u>				
Less than 01 Years	44.42	40.50	1.64	0.32
01-02 Years			-	-
02-03 Years			-	-
More than 3 Years			-	-
<u>Outstanding dues of creditors other than micro enterprises and small enterprises</u>				
Outstanding for Following Period from Due date				
Not Due	234.11	167.90	6.46	4.98
Less than 01 Years	171.24	773.87	1862.25	905.78
01-02 Years	92.25	339.14	2.55	96.50
02-03 Years	58.51	2.03	95.04	142.66
More than 3 Years	699.17	675.82	564.70	373.07
Total	**1299.69**	**1,999.22**	**2,532.65**	**1,523.31**

Out of the Trade Payables of Rs 1299.69 lakhs as on January 31,2025 , the amount payable outstanding for more than 2 years are Rs 757.68 lakhs. The total parties to whom the payment to be made areTwenty Nine.

RESULTS OF KEY OPERATIONS

(₹ in lakhs)

Particulars	For the year ended on		
	31.03.2024	**31.03.2023**	**31.03.2022**
Income from continuing operations			
Revenue from operations	6,658.37	11,287.74	5,714.27
Total Revenue	**6,658.37**	**11,287.74**	**5,714.27**
% of growth	(41.01)	97.54	
Other Income	10.82	24.25	39.37
% total Revenue	0.16	0.21	0.68
Total Revenue	**6,669.19**	**11,312.00**	**5,753.64**
	(41.04)	96.61	
Expenses			

Particulars	For the year ended on		
	31.03.2024	31.03.2023	31.03.2022
Cost of Material Consumed	3,366.31	8,794.96	4333.57
% of Revenue from operations	50.56	77.92	75.84
Employee benefits expense	477.82	406.87	314.18
% Increase/(Decrease)	17.44	29.50	
Finance Costs	393.07	379.78	407.16
% Increase/(Decrease)	3.50	(6.72)	
Other expenses	1,268.13	844.44	525.32
% Increase/(Decrease)	50.18	60.74	
Depreciation and amortisation expenses	188.75	186.64	184.18
% Increase/(Decrease)	1.13	1.34	
Total Expenses	**5,694.08**	**10,612.67**	**5,764.41**
% to total revenue	85.38	93.82	100.19
EBDITA	**1,556.93**	**1,265.74**	**580.57**
% to total revenue	23.35	11.19	10.09
Restated profit before tax from continuing operations	975.11	699.32	(10.77)
Exceptional Item			
Total tax expense	9.40	117.32	
Restated profit after tax from continuing operations (A)	965.71	582.00	(10.77)
% to total revenue	**14.48**	**5.14**	**(0.19)**

COMPARISON OF F.Y. 2023-24 WITH F.Y. 2022-23:

Income from Operations

We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our Company's Total revenue form operations for FY 2023-24 was ₹6658.37 lakhs consist of Domestic sale of ₹ 5997.25 lakhs and Export sale of ₹661.13 lakhs which is decreased by 41.01 % in comparison to F.Y. 2022-23 total revenue of operation of ₹11287.74 lakhs. Our Manufacturing Facility was non-operative for complying with the recommendation and observations of the Brazilian Health Regulatory Agency ("**ANVISA, Brazil"**) during its audit of our Manufacturing Facility for their approvals of our API product namely, Loxoprofen Sodium Dihydrate.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed for F.Y.2023-2024 was ₹3,366.31 lakhs against the cost of Material Consumed of ₹8794.96 lakhs in F.Y. 2022-2023. The cost of material consumed was adjusted for the change in inventory. The cost of material consumed was 50.56% of the total revenue from operations in F.Y 2023-2024 as against 77.92 % of total revenue from Operations in F.Y 2022-2023.

As global supply chain was completely disturbed due to COVID during FY20-21 & FY21-22 and cost of products were directly affected due to Logistic Cost, High production & Manpower cost and Opportunity cost. Prices of Basic Raw Materials, Solvents and other consumables was all time high during that tenure. By the time passes and things getting normal so all the Raw Material, Consumables, Logistic Services etc. is getting decreased and back to pre-covid market prices which affect directly on our Cost of Raw Material Consumed. Meanwhile we were in queue for the approval of our products at our customer and able to get the major orders of the high profitable products which is directly impacted in finanacials.

Employee Benefits Expenses:

The Employee expenses for F.Y. 2023-2024 were 477.82 lakhs against the expenses of ₹ 406.87 lakhs in F.Y. 2022-23 showing increase by 17.44 %. The increase in the normal increment to the existing employees and revision of the Directors remuneration result in to increase of the employee cost by17.44% in F.Y. 2023-24 as compared to F.Y. 2022-23.

Finance Cost:

The Finance Cost for F.Y. 2023-24 was ₹ 393.07 lakhs against the cost of ₹ 379.78 Lakhs in the F.Y. 2022-23 showing an increase of 3.50 %. The Company had provided bank guarantees for the various projects awarded to the Company. The increase in the Finance cost is due to utilization of more working capital limit in F.Y. 2023-24 as compare to F.Y 2022-23.

Other Expenses

Other Expenses increased to ₹ 1268.13 lakhs for F.Y. 2023-24 against ₹844.44 Lakhs in F.Y. 2022-23 showing increase by 50.18%. The other expenses increase on account of job work expense which was ₹ 221.98 lakhs in FY 2023-24 against ₹ 1.74 lakhs in FY 2022-23, Repairs , Maintenance expense which was ₹ 121.16 lakhs in FY 2023-24 against ₹ 92.56 lakhs in FY 2022-23, Marketing Expenses which was ₹ 139.01 lakhs in FY 2023-24 against ₹ 10.94 lakhs in FY 2022-23 and payment of interest on late payment of Tax in FY 2023-24 of ₹ 16.25 lakhs which was Nil in FY 2022-23. The job work charges and repairs and maintenance has increased in FY 2023-24 due to closure of plant for preparation and filing of regulatory Drug Master File ("**DMF**") with Brazilian Health Regulatory Agency ("**ANVISA, Brazil"**) and renovation for same.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2023-24 was ₹188.75 lakhs as compared to ₹186.64 lakhs for F.Y. 2022-23. The depreciation was increased by 1.13 % in F.Y. 2023-24 as compared to F.Y. 2022-23. The depreciation was provided on Straight Line Method and the negligible increase in the depreciation is on account of increased o fixed assets of ₹ 353.09 lakhs in F.Y 2023-24.

EBDITA

The EBDTA for F.Y. 2023-24 was ₹1556.93 lakhs as compared to ₹ 1265.74 lakhs for F.Y. 2022-23. The EBDITA was 23.35 % in FY 2023-24 of total Revenue as compared to 11.19 % in FY 2021-22. The EBDITA is increased on account of reduction of Cost of material consumed by 27.36 % in F.Y. 2023-24 as compared to F.Y. 2022-23.

Profit after Tax (PAT)

PAT is₹ 965.71 lakhs for F.Y. 2023-24 as compared to ₹ 582.00 Lakhs in F.Y. 2022-23. The PAT was 14.48% of total revenue in F.Y. 2023-24 compared to 5.14 % of total revenue in F.Y. 2022-23. Though the business of the Company decreased by 41.01 % in FY 2023-24 compared to F.Y. 2022-23 on account of closure of plant for four months, the profit margin was increased by 9.34 % on account of Decrease in cost of material consumption.

COMPARISON OF F.Y. 2022-23 WITH F.Y. 2021-22:

Income from Operations

We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. Our Company's Total revenue from operations for FY 2022-23 was ₹1,1287.74 lakhs consist of Domestic sale of ₹10,085.13 lakhs and Export sale of ₹1,202.62 lakhs which is increased by 97.54% in comparison to F.Y. 2021-22 total revenue of operation of ₹5,714.27 lakhs. The results for F.Y. 2021-22 was affected by Covid and on account of restriction on export of goods.

We have filed the Drug Master File (DMF) for one of our Key product Loxoprofen Sodium Dihydrate to the Brazilian regulatory agency ANVISA, for that Customer has done pre-audit to our facility and provided observations to us for the required changes in the infrastructure and documentation as per latest GMP Guideline of ANVISA, which is mandatory to comply to get GMP approval from ANVISA for our manufacturing facility. To comply with all the required changes we have to do major modification in production area, store area and QC area, which forced us for the mandatory shutdown of the facility about 4 months. Due to shutdown of the production our entire planning was disturbed and not able to achieve to targeted sales in the F.Y. 2023-24.

We got the huge impact of Covid 2nd wave during FY21-22, which holds many projects delayed at our customer end but fortunately in FY22-23 all the pending projects was taken on track by our customers which results in our Direct Sales. As we have received abnormally high volume of some of our product due to shortage of the specific therapeutic category products in the domestic market.

Expenditure:

Cost of Material Consumed

The Cost of Material Consumed for F.Y.2022-2023 was ₹8794.96 lakhs against the cost of Material Consumed of ₹4333.57 lakhs in F.Y. 2021-2022. The cost of material consumed was adjusted for the change in inventory. The cost of material consumed was 77.92 % of the total revenue from operations in F.Y. 2022-2023 as against 75.84 % of total revenue from Operations in F.Y. 2021-2022.The increase in the cost of Material is by 2.08 % of total revenue in FY 2022-23 on account of increase in the overall cost of raw material

Employee Benefits Expenses:

The Employee expenses for F.Y. 2022-2023 was ₹ 406.87 lakhs against the expenses of ₹ 314.18 lakhs in F.Y. 2021-22 showing increase by 29.50 %. The no of employees in the F.Y. 2022-23 were 280 as compared to No of Employees 245 in F.Y. 2021-22. The increase in the number of employees, normal increment to the existing employees and revision of the Directors remuneration results in to increase of the employee cost by 29.50 % in F.Y. 2022-23 as compared to F.Y. 2021-22.

Finance Cost:

The Finance Cost for F.Y. 2022-23 was ₹ 379.78 lakhs against the cost of ₹ 407.16 lakhs in the F.Y. 2021-22 showing decrease of 6.72%. The decrease in the Finance cost is due to reduction of utilization of working capital limit in F.Y. 2022-23 as compare to F.Y 2021-22.

Other Expenses

Other Expenses increased to ₹844.44 lakhs for F.Y. 2022-23 against ₹525.32 Lakhs in F.Y. 2021-22 showing increase by 60.74 %. The other expenses increase on account of fuel expenses (Boiler) which was ₹180.12 lakhs in FY 2022-23 against ₹81.98 lakhs in FY 2021-22, Power and Fuel Expenses which was ₹194.87 lakhs in FY 2022-23 against ₹123.35 lakhs in FY 2021-22, Repairs and Maintenance Expenses which was ₹92.59 lakhs in FY 2022-23 against ₹46.94 lakhs in FY 2021-22 and Foreign Exchange Rate Difference of ₹38.18 lakhs in FY 2022-23 which was 0.66 lakhs in FY 2021-22. The increase in the business by 97.54 % increase the variable cost like Power and fuel, Fuel for Boiler in FY 2022-23.

Depreciation and Amortisation Expenses:

The Depreciation for F.Y. 2022-23 was ₹ 186.64 lakhs as compared to ₹ 184.18 lakhs for F.Y. 2021-22. The depreciation was increased by 1.34 % in F.Y. 2022-23 as compared to F.Y. 2021-22. The depreciation was provided on Straight Line Method and the negligible increase in the depreciation is on account of increased of fixed assets of ₹37.22 lakhs in F.Y 2022-23.

EBDITA

The EBDTA for F.Y. 2022-23 was ₹1,265.74 lakhs as compared to ₹580.57 Lakhs for F.Y. 2021-22. The EBDITA was 11.19% in FY 2022-23 of total Revenue as compared to 10.09% in FY 2021-22. The EBDITA in absolute terms was increased on account of an increase of business by 97.54% in F.Y. 2022-23 as compared to F.Y. 2021-22. In terms of percentage the increase in EBDITA was 1.10 % on account of reduction of finance cost by 6.72% in FY 2022-23 as compared to FY 2021-22 which had offset the increase in other expenses and Material cost increase.

Profit after Tax (PAT)

PAT is₹ 582.00 Lakhs for F.Y. 2022-23 as compared to loss of ₹10.77 Lakhs in F.Y. 2021-22. The PAT was 5.14% of total revenue in F.Y. 2022-23 compared to (0.19)% of total revenue in F.Y. 2021-22.

LIQUIDITY AND CAPITAL RESOURCES

We depend on both internal and external sources of liquidity to provide working capital and to fund capital expenditure. We have historically funded our capital expenditure with cash flow from operations, Equity capital and debt financing. We generally enter into long-term borrowings in the form of working capital and term loan from bank.

CASH FLOW

(₹ in lakhs)

Particulars	January 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
Net cash from Operating Activities	(2721.80)	(322.60)	(284.97)	(175.40)
Net cash flow from Investing Activities	281.74	(336.90)	(33.49)	(38.60)
Net Cash Flow Financing Activities	2358.73	824.58	226.59	280.73

Cash flow from Operating activity

FY 2024

The cash flow from operating activity was negative of ₹322.60 lakhs. Our Profit before Tax for that period was ₹975.11 lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹188,75 lakhs, Interest expenses of ₹393.07 lakhs, provision of gratuity of ₹9.33 lakhs which was primarily set off by the Interest income of ₹7.57 lakhs. Our Operating profit before change in working capital was ₹1,558.70 lakhs. The Net change in working capital was ₹(1,879.96) lakhs which is on account of increase in inventories, loans, increase of other current assets, increase in other financial assets, decrease in Trade payables and decrease in other current liabilities which was primarily set off by decrease in trade receivables, decrease in investments and increase of Provisions.

FY 2023

The cash flow from operating activity was negative of ₹284.97 lakhs. Our Profit before Tax for that period was ₹699.32 lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹186.64 lakhs, Interest expenses of ₹379.78 lakhs, provision of gratuity of ₹2.84 lakhs which was primarily set off by the Interest income of ₹3.73 lakhs. Our Operating profit before change in working capital was ₹1264.84 lakhs. The Net change in working capital was ₹(1,549.81) lakhs which is on account of Increase in trade Receivables, increase in inventories, loans, increase of other current assets, increase in other financial assets, Increase in current Investment which was primarily set off by increase in Trade Payables, Increase in Other Current Liabilities, and increase in Other Provisions.

FY 2022

The cash flow from operating activity was negative of ₹175.40 lakhs. Our Loss before Tax for that period was ₹(10.77) lakhs. Adjustment for non-cash and non-operating items primarily consist of Depreciation amounting to ₹184.18 lakhs, Interest expenses of ₹407.16 lakhs, provision of gratuity of ₹9.88 lakhs which was primarily set off by the Interest income of ₹9.24 lakhs. Our Operating profit before change in working capital was ₹581.21 lakhs. The Net change in working capital was ₹(756.61) lakhs which is on account of Increase in trade

Receivables, increase in inventories, loans, which was primarily set off by Decrease in Other current assets, Decrease in Current Investment, Decrease in other Financial Assets, increase in Trade Payables, Increase in Other Current Liabilities, and increase in Other Provisions.

Cash flow from Investing activity

FY 2024

The cash flow from Investing activity was negative of ₹336.90 lakhs primarily due to purchase of fixed assets of ₹353.16 lakhs which was partially set off by sale of fixed asset of ₹8.70 lakhs and interest income of ₹7.57 lakhs.

FY 2023

The cash flow from Investing activity was negative of ₹33.49 lakhs primarily due to purchase of fixed assets of ₹37.22 lakhs which was partially set off by interest income of ₹3.73 lakhs.

FY 2022

The cash flow from Investing activity was negative of ₹38.60 lakhs primarily due to purchase of fixed assets of ₹47.84 lakhs which was partially set off by interest income of ₹9.24 lakhs.

Cash flow from Financing Activity

FY 2024

The cash flow from financing activity was positive of ₹824.57 lakhs primarily due to issue of Equity share of ₹400.00 lakhs and increase in short term borrowings of ₹1,210.74 lakhs which was partially set off by repayment of long term borrowings of ₹393.09 lakhs and interest payment of ₹393.07 lakhs.

FY 2023

The cash flow from financing activity was positive of ₹226.59 lakhs primarily due to increase in short term borrowings of ₹15.45 lakhs and increase of Long-term borrowings of ₹590.91 lakhs which was partially set off by interest payment of ₹379.78 lakhs.

FY 2022

The cash flow from financing activity was positive of ₹280.73 lakhs primarily due to increase in Long term borrowings of ₹1,594.96 lakhs which was partially set off by repayment of short-term borrowings of ₹907.07 lakhs and interest payment of ₹407.16 lakh

SELECTED BALANCE SHEET ITEMS

Trade Receivables

(₹ in lakhs)

Particulars	As at January 31, 2025	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Not Due	694.04	215.54		
Due less than 3 months	172.20	2,403.37	3,166.42	1,363.03
Due for 3 to 6 months	2067.75	18.52	989.54	253.04
Due for more than 6 months to 1 year	3644.77	134.40	21.86	51.11
Due for more than 1 year to 2 years	0.57	898.43	-	18.95
Due for more than 2 to 3 years	36.89	12.88	0.40	-
Due for more than 3 years	194.03	189.91	202.35	344.14
Total	**6810.26**	**3,873.05**	**4,380.57**	**2,030.27**

Out of the trade receivables of ₹3,873.05 lakhs as on March 31, 2024, the receivables outstanding for more than 2 to 3 years are ₹202.79 lakhs. The total customers from the amount to be received are fourteen and the recovery from the customers are slow.

Trade Payables

(₹ in lakhs)

Particulars	As at January 31, 2025	As at 31st March 2024	As at 31st March 2023	As at 31 st March 2022
Outstanding dues of creditors micro enterprises and small enterprises				
Years Less than 01	44.42	40.50	1.64	0.32
01-02 Years			-	-
02-03 Years			-	-
More than 3 Years			-	-
Outstanding dues of creditors other than micro enterprises and small enterprises				
Not Due	234.11	167.90	6.46	4.98
Outstanding for Following Period from Due date	234.11			
Less than 01 Years	171.24	773.83	1862.25	905.78
01-02 Years	92.25	339.14	2.55	96.50
02-03 Years	58.51	2.03	95.04	142.66
More than 3 Years	699.17	675.82	564.70	373.07
Total	**1299.69**	**1,999.22**	**2,532.65**	**1,523.31**

Out of the Trade Payables of ₹1,999.22 lakhs as on March 31,2024, the amount payable outstanding for more than 2 years are ₹677.85 lakhs. The total parties to whom the payment to be made are eleven.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to commodity risk, foreign exchange risk, interest rate risk, credit risk and inflation risk in the normal course of our business.

Commodity Risk

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements and long-term contract with our suppliers. Therefore, fluctuations in the price and availability of raw materials may affect our business, cash flows and results of operations. We do not currently engage in any hedging activities against commodity price risk.

Foreign Currency Risk

We operate internationally and the major portion of our business is transacted in USD. Our sales, purchase, borrowing (etc.) is in foreign currency. Consequently, we are exposed to foreign exchange risk. Although our exposure to exchange rate fluctuations is partly hedged through the exports of products and the import of the necessary raw materials and production equipment, we are still affected by fluctuations in exchange rates for certain currencies, particularly the U.S. Dollar .

Interest Rate Risk

We are exposed to interest rate risk primarily as a result of term loans from banks. As at March 31, 2024, we had all of our loans that are subject to floating rates of interest, which exposes us to market risk as a result of changes in interest rates. Upward fluctuations in interest rates would increase the cost of new debt and interest cost of outstanding variable rate borrowings. In addition, any increase in interest rates could adversely affect our ability to service long-term debt, which would in turn adversely affect our results of operations. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debts, which adversely affects our results of operations and cash flows.

Inflation

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs.

Credit Risk

We are exposed to credit risk on amounts owed to us by our clients. If our clients do not pay us promptly, or at all, it may impact our working capital cycle, and/or we may have to make provisions for or write-off on such amounts.

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.**

   We are a chemical manufacturing company engaged in manufacturing of; (i) high purity advance pharmaceutical intermediates ("**Pharma Intermediate**") which serves as raw material/ key starting material in the manufacturing of active pharmaceutical ingredients; (ii) active pharmaceutical ingredients ("**APIs**") which serves as a raw material for pharmaceutical formulations in preparation of various type of Finished Dosage Formula ("**FDF**") such as tablet, capsules, ointment, syrup etc, ingredients in nutraceuticals formulations, personal care products and animal health products. We operate in a highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. Any change in the Government Policies may adversely affect our business and results of operations. For further details, see "***Industry Overview***" on Page 138 and "***Risk Factor***" on 32.

3. **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

   Apart from the risks as disclosed under Section titled "**Risk Factors**" on page 32, to our knowledge there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. **Expected Future Changes in relationship between costs and revenues, in case of events such as future increase in labour, Material costs or prices that will cause a material change are known.**

   Other than as described "***Risk Factors***", "***Our Business***", "***Management's Discussion and Analysis of Financial Position and Result of Operations***" on Pages 32, 183 and 283 respectively, to our knowledge, there are no known factors that might affect the future relationship between expenditure and income which may have a material adverse impact on our operations and finances.

5. **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.**

Changes in revenue in the last three Financial Years are as described in "Results of Key Operations – Comparison of FY 2023-24 with FY 2022-23 and Comparison of FY 2022-2023 with FY 2021 -2022" and mentioned above. Increases in revenues are by and large linked to increases in volume of business mentioned above.

6. Total turnover of each major industry segment in which the issuer company operated.

The Company is in the chemical manufacturing business. For detail, see "***Our Business***" and "***Industry Overview***" on page 183 and 138.

7. Status of any publicly announced new products or business segment.

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or new business segments.

8. The extent to which business is seasonal.

Our Company's business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

Our business is affected by risks associated with our dependency on some of our customers. For further details see, "***Risk Factors - Our revenue from operations is dependent upon a limited number of customers and the loss of any of these customers or loss of revenue from any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows***" on page 34.

10. Competitive conditions.

We operate in a competitive environment. Our Business operations are affected by competition from domestic as well international Competitors. For details, see "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on page 183, 138 and 32 respectively.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on August 26, 2024 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) if the aggregate amount involved exceeds 5% of the profit after tax as per the latest Fiscal in Restated Financial Statements i.e 48.28 Lakhs; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.

Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated August 24, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 5% of the trade payables of the Company as on the date of latest Restated Financial Statements of the Company disclosed shall be considered material. The 5% of trade payables of our Company as per the latest Restated Financial Statements of the Company ₹99.96 Lakhs. Accordingly, dues exceeding ₹99.96 Lakhs shall be considered material for the purpose of identification of material creditors. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of the number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

All terms defined in a particular litigation disclosure pertains to that litigation only.

I. Litigation involving our Company.

Nil

A. Litigation filed against our Company.

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. Litigation filed by our Company.

1. Criminal proceedings

Nil

2. Material civil proceedings

Anlon Healthcare Private limited and ors. vs. Union of India – R/Special Civil Application no. 10347 of 2023

Anlon Healthcare Private Limited ("**Petitioner**") and ors. (collectively referred to as "**Petitioners**") have filed a Special Civil Application bearing no. 10347 of 2023, against Union of India ("**Respondent**"), thereby challenging the validity of Rule 96(10) (b) of Central Goods and Service Tax Rules, 2017, / State Goods and Services Rules, 2017, as the same being ultra vires and contrary to the Integrated Goods and Services Tax, to which the Hon'ble court passed an interim order stating that, the adjudication proceedings shall continue and further there shall be no coercive recovery made against the petitioner, herein. The next date of hearing is yet to be notified.

C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ Lakhs*)^
Direct Tax	7*	3.13
Indirect Tax	6#	238.85
Total	**13**	**241.98**

^Rounded off to the closest decimal

**Includes: (i) TDS Demands amounting to ₹10,890 for Fiscal 2020; (ii) ₹21,800 for the Fiscal 2019, (iii) ₹5,250 for the Fiscal 2018, (iv) ₹10,190 for the Fiscal 2022. (v) ₹54,380 for the Fiscal 2023; (vi) ₹ 2,10,930 for the Fiscal 2024; and (vii) Income tax Department has issued notice bearing no. CPC/1819/G22/1880151145 for communication of proposed adjustment u/s 143(1)(a) of Income Tax Act, 1961 for the Fiscal 2019.*

#Includes: (i) GST notice for period July 2017 to March 2018 bearing number ZD241123031348T for an amount of ₹21,82,064. However, an appeal for the same has been filed before the Appellate Authority;

(ii) GST notice for excess utilization of ITC for Fiscal 2020 bearing number ZD2405240948435 amounting to ₹17,80,300;

(iii) GST notice for Fiscal 2020 bearing number ZD240422009255V amounting to ₹85,98,142. Our Company has filed an appeal with the Appellate Authority which is pending as on date;

(iv) GST notice for Fiscal 2021 bearing reference ID no. ZD240724068868R for short payment of tax credit wrongly availed or utilized amounting to ₹1,12,61,454. Our Company has filed a reply on July 26, 2024 which is pending as on date;

(v) GST Notice of Tax Liability under section 74(5) GST Act, 2017, bearing reference ID no. ZD240724070114O, dated July 25, 2024, amounting to ₹63,218;

*(vi) petition filed by the company against Union of India thereby challenging the validity of Rule 96(10) (b) of Central Goods and Service Tax Rules, 2017 / State Goods and Services Rules, 2017. For details, see "**Material Civil Proceedings filed by our Company - Anlon Healthcare Private limited and ors vs Union of India – R/Special Civil Application no. 10347 of 2023**" on page 298.*

II. Litigation involving our Directors (other than Promoters)

A. Litigation filed against our Directors (other than Promoters)

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Directors (other than Promoters)*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in Rs. lakhs*)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	**Nil**	**Nil**

III. Litigation involving our Promoters

A. *Litigation filed against our Promoters*

1. Criminal proceedings

Nil

2. Outstanding actions by regulatory and statutory authorities

Nil

3. Material civil proceedings

Nil

B. *Litigation filed by our Promoters*

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ lakhs*)^
Direct Tax	1*	1.66
Indirect Tax	Nil	Nil
Total	**1**	**1.66**

^*Rounded off to closest decimal.*

[*] *Includes outstanding demand against Punitkumar R. Rasadia, for Fiscal 2020, amounting to ₹1,66,340.*

Outstanding dues to creditors

Our Board, in its meeting held on August 26, 2024 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount 99.96 Lakhs as on the date of the latest period in the Restated Financial Statements was outstanding, were considered material creditors.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at January 31, 2025 by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved *(₹ in Lakhs)*
Material creditors	4	778.82
Micro, Small and Medium Enterprises	15	44.42
Other creditors	128	476.46
Total	**147**	**1299.69**

The details pertaining to net outstanding dues towards our material creditors as on January 31, 2025 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.anlon.in. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments Subsequent to the January 31, 2025***" on page 285, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our Company has received the following material approvals, consents, licenses, permissions, and registrations from various governmental, statutory and/or regulatory authorities required to be obtained by our Company for the purpose of undertaking our business activities and operations ("**Material Approvals**").*

*In view of the approvals listed below, our Company can undertake the Issue and its business activities, as applicable. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus, and in case of licenses and approvals which have expired in their normal course, we have either made an application for renewal, or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework, see "**Key Regulations and Policies in India**" and "**Risk Factors**" on pages 209 and* 32*, respectively.*

*Our Company is primarily involved in the business of manufacturing of, inter alia, pharmaceutical chemicals. For details, see "**Our Business**" on page 183. The Material Approvals in relation to the business of our Company are provided below:*

Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

I. Material approvals obtained in relation to the Issue

(1) The Board of Directors has, pursuant to a resolution passed at its meeting held on August 26, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013.

(2) The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on September 21, 2024, authorized the Issue under Section 62 of the Companies Act, 2013.

(3) The Company has obtained the in-principle listing approval from [●], dated [●].

II. Material approvals obtained by our Company in relation to our business and operations

Our Company has obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

a. Our Company was originally incorporated as a private limited company in the name of '*Anlon Venture Private Limited'* vide Certificate of Incorporation dated November 19, 2013, issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

b. Fresh certificate of incorporation dated May 27, 2015 issued to our Company by the Registrar of Companies, Ahmedabad, pursuant to the name change of our Company from '*Anlon Venture Private Limited'* to *'Anlon Healthcare Private Limited'*.

c. Fresh Certificate of Incorporation dated September 2, 2024, issued to our Company by the Registrar of Companies, Ahmedabad, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from *Anlon Healthcare Private Limited* to *Anlon Healthcare Limited*

B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	AAMCA1673J	Income Tax Department	November 19, 2013	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	RKTA04776C	Income Tax Department	November 18, 2015	Valid till cancelled
3.	GST Registration Certificate – Gujarat	24AAMCA1673J1ZK	Goods and Services Tax Department	May 26, 2021	Valid till cancelled

C. Regulatory & Labour / employment related approvals obtained by our Company:

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewed	Date of Expiry
1.	Certificate of registration – Employee's Provident Fund Code	GJRAJ1613516000	Employees' Provident Fund Organisation, Ministry of Labour and Employment	June 28, 2017	Valid till cancelled
2.	Enrolment Certificate – Professional Tax	EC/09/010/005/008	Pipaliya Gram Panchayat Professional Tax Department	August 16, 2024	Valid till cancelled
3.	Registration Certificate – Professional Tax	RC/09/010/0005/0005	Pipaliya Gram Panchayat Professional Tax Department	August 16, 2024	Valid till cancelled
4.	UDYAM Registration Certificate	UDYAM-GJ-20-0000159	Ministry of Micro, Small and Medium Enterprises, Government of India	July 06, 2020	Valid till cancelled
5.	Zed Bronze Certificate - under MSME Sustainable (ZED) Certification Scheme	30122023_173214	Ministry of Micro, Small and Medium Enterprises, Government of India	December 30, 2023	December 29, 2026
6.	Intimation under Shops & Establishment Act, 2019 for 101/102-Silvercoin Compelx, Opp. Crystal Mall, Kalawad Road, Rajkot 360005 (Gujarat)	2024-2025/SR/000171	Rajkot Municipal Corporation	September 13, 2024	Valid till cancelled
7.	Importer-Exporter Code Registration	2416901974	Ministry of Commerce and Industry	May 18, 2016	Valid till cancelled
8.	IEM Acknowledgment letter	1860/SIA/IMO/2017 Ref No. IM204535	Industrial Entrepreneur Memorandum Section, Ministry of Commerce and Industry	December 11, 2017	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewed	Date of Expiry
9.	License to work a factory	30722	Directorate of Industrial Safety & Health Gujarat State	January 1, 2017	December 31, 2026
10.	Certificate of stability of factory	-	Jayesh A. Katira, B.E. Civil, M.I.E., F.I.V., & Govt. Regd. Valuer	June 10, 2017	Valid till cancelled
11.	Consolidated Consent and Authorization, under section 25 of the Water (Prevention & Control of Pollution) Act,1974 & under section 21 of the Air (Prevention & Control of Pollution) Act,1981 and Authorization under Hazardous and other Waste (Management & Transboundary movement) Rules, 2016	AWH-127851	Gujarat Pollution Control Board	July 23, 2023	April 22, 2028
12.	Environment Clearance Letter for setting up of expansion in manufacturing plant of 'Synthetic Organic Chemicals' [API and API Intermediates]	SEIAA/GUJ/EC/5(f)/730/2021	State Level Environment Impact Assessment Authority, Gujarat	June 02, 2021	Valid till cancelled
13.	Certificate for use of boiler	GT-9726	Gujarat Boiler Inspection Department	June 08, 2024	June 07, 2025
14.	PESO License	P/WC/GJ/15/2710 (P404385)	Petroleum & Explosives Safety Organisation, Ministry of Commerce & Industry	March 04, 2020	December 31, 2032
15.	License to manufacture for sale or for distribution of drugs specified in schedule C, C (1) excluding those specified in Schedule X	G/28/1852	Commissioner, Food & Drugs Control Administration, Gujarat State	February 9, 2022	February 8, 2027
16.	Retention of License to manufacture for sale or for distribution of drugs specified in schedule C, C (1) excluding those specified in Schedule X	G/25/2220	Commissioner, Food & Drugs Control Administration, Gujarat State	August 9, 2022	August 8, 2027
17.	Good Manufacturing	S-GMP/24034882	Food & Drugs	Match 01,	February

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewed	Date of Expiry
	Practise Certificate certifying that the Company hold manufacturing licenses in Form- 25 (license no. G/25/2220) & Form-28 (license no. G/28/1852) under the provision of Drugs and Cosmetics Act 1940 & Rules made thereunder.		Control Administration	2024	28, 2026
18.	Good Manufacturing Practice for dosage form of Bulk Drug (APIs)	24044901	Food & Drugs Control Administration, Gujarat	April 01, 2024	March 31, 2027
19.	License for the purchase, possession and use of methyl alcohol	82/2017-19	Superintendent, Prohibition & Excise, Rajkot	August 21, 2017	March 31, 2025
20.	License for the possession and use of rectified spirits including absolute alcohol for industrial, medical, scientific, education and other similar purposes.	63/2023-2024	Superintendent, Prohibition & Excise, Rajkot	July 13, 2023	March 31, 2025
21.	License for sale, purchase, possession, storage and consumption of Anthranilic Acid & Acetic Anhydride	AHCD0100817	Narcotics Control Bureau, Department of Internal Security, Ministry of Home Affairs	June 26, 2023	Valid till cancelled
22.	License under the Food Safety and Standards Act, 2006	10724998000405	Food Safety and Standards Authority of India	July 05, 2024	July 04, 2025
23.	ISO 9001:2015 Certificate of Quality Management System standard	GQM1271	Shamkris Global Inspection Services Pvt. Ltd.	July 03, 2023	July 07, 2026
24.	Registration Cum Membership Certificate FIEO Gujarat	AHD/181/2021-2022	Federation Of Indian Export Organisations	March 27, 2024	March 31, 2025
25.	Certificate of membership for waste management	-	Aztec Recycling Hub Private Limited	February 27, 2021	February 26, 2031
26.	Certificate of membership for waste management	GES072314	Greenspace Enviro Services	July 14, 2023	July 13, 2028
27.	Certificate of membership for waste management	4100006884	Recycling Solutions Private Limited	December 23, 2017	December 22, 2027
28.	Certificate of membership for treatment, storage and disposal facility	ECIPL-1671	Ecocare Infrastructures Private Limited	February 13, 2023	February 28, 2026

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewed	Date of Expiry
	(TSDF)				
29.	Certificate of Verification for Legal Metrology	2735785/RAJ/2024/01	Office of the Controller, Legal Metrology, Gujarat State	September 4, 2023	September 4, 2025
30.	Certificate of Verification for Legal Metrology	2972747/RAJ/2023/01	Office of the Controller, Legal Metrology, Gujarat State	September 4, 2023	September 4, 2025
31.	Certificate of Sustainability for Ketoprofen	CEP 2023-344 – Rev 00	European Directorate for the Quality of Medicines & HealthCare	January 31, 2025	Valid till cancelled
32.	Legal Entity Identifier (LEI)	254900IAINYLU31JGU83	LEI Register India	June 24, 2021	November 7, 2025

III. Material approvals or renewals for which applications are currently pending before relevant authorities

Our Company has made application for renewal of Ground water NOC bearing application number. 21-4/2373/GJ/IND/2017 dated December 14, 2023 for its Manufacturing Unit.

IV. Material approvals expired and renewal yet to be applied for

Nil

V. Material approvals required but not obtained or applied for

Nil

VI. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has applied for the following trademarks with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Application	Particulars of the Mark	Application Number	Class of Registration	Status
June 23, 2024	anlon	6475647 and 6475648	1 and 5	Formality Check Pass

For risk associated with our intellectual property please see, "***Risk Factors***" on page 32.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

Our Board has authorized the Issue pursuant to the resolution passed at its meeting held on August 26, 2024 and our Shareholders have approved the Issue pursuant to a special resolution in Annual General Meeting dated September 21, 2024 in terms of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013.

This Draft Red Herring Prospectus has been approved by our Board of Directors pursuant to the resolution passed at its meeting held on February 20, 2025. For further details, please see "***The Issue***" on page 71.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to its letter dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Promoters, members of Promoter Group, our Directors or persons in control of our Company are not prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by the Board or any other authorities.

None of our Directors are associated with the securities market in any manner and no outstanding action has been initiated against them by the SEBI in the five years preceding the date of this Draft Red Herring Prospectus.

Our Company, Promoters or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and members of Promoter Group severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended ("**SBO Rules**"), to the extent applicable to them, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is eligible for the Issue in accordance with Regulation 6(2) of the SEBI ICDR Regulations which state the following:

"An issuer not satisfying the condition stipulated in sub-regulation (1) of the SEBI ICDR Regulations shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so."

Our Company confirms that it is also in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of allottees shall not be less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 and 7(1) of the SEBI ICDR Regulations, as follows:

(a) Neither our Company nor our Directors nor any of the Promoters and Promoter Group are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors is promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) Neither our Company nor any of our Promoters or Directors has been declared a Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(d) None of our Promoters or Directors is a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018).

(e) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

(f) Our Company, along with the Registrar to the Issue, has entered into a tripartite agreement dated May 21, 2024 with NSDL, for dematerialization of the Equity Shares. Our Company, along with the Registrar to the Issue, has also entered into a tripartite agreement dated July 21, 2024 with CDSL, for dematerialization of the Equity Shares;

(g) The Equity Shares of our Company held by our Promoters are dematerialised;

(h) There are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus; and

(i) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, as the entire objects of the Issue are proposed to be financed from the Issue proceeds.

Disclaimer Clauses

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER BEING INTERACTIVE FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGE ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 20, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE

REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of the Companies Act, 2013.

Disclaimer from our Company, our Promoters, our Directors and the BRLM

Our Company, our Promoters, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance, and anyone placing reliance on any other source of information, or the respective websites of our Promoter Group or any website of any of our affiliate of our Company, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered.

All information shall be made available by our Company and the BRLM to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Caution

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLM and their associates and affiliates, in their capacity as principals or agents, may engage in transactions with, and perform services for, our Company, our Promoters and members of our Promoter Group and their respective affiliates, 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 our Company, our Promoters and members of our Promoter Group and their respective affiliates, associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Surat, Gujarat, India.

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other applicable trust laws, and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, venture capital funds, permitted insurance companies, provident funds and pension funds with a minimum corpus of ₹25,00,00,000/- (Rupees twenty-five hundred lakhs only), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and to permitted systemically important NBFCs registered with the RBI, non-residents including Eligible NRIs, Alternative Investment Funds. Foreign Portfolio Investors registered with SEBI, venture capital fund, foreign venture capital fund and QIBs.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to or purchase Equity Shares offered in the Issue in any jurisdiction. Invitations to subscribe to or purchase the Equity Shares in the Issue shall be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

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 Draft Red Herring Prospectus will be filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any offer or 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.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act ("**Regulation S**") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.

Each purchaser of the Equity Shares in the Issue who does not receive a copy of the preliminary offering memorandum for the Issue shall be deemed to:

- Represent and warrant to our Company, and the BRLM and the Syndicate Member(s) that its Bid did not exceed investment limits or the maximum number of Equity Shares that can be held by it under applicable law.
- Acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- Represent and warrant to our Company, the BRLM and the Syndicate Member(s) that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares offered in the Issue was originated.
- Represent and warrant to our Company, the BRLM and the Syndicate Member(s) that it did not purchase the Equity Shares offered in the Issue as result of any "directed selling efforts" (as defined in Regulation S).
- Represent and warrant to our Company, the BRLM and the Syndicate Member(s) that it bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer any of the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration requirements under the U.S. Securities Act and in accordance with all applicable securities

laws of the states of the United States and any other jurisdiction, including India.

- Agree to indemnify and hold our Company, the BRLM and the Syndicate Member(s) harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.
- Represent and warrant to our Company, the BRLM and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Issue as fiduciary or agent for one or more investor account(s), it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- Represents and warrant to our Company, the BRLM and the Syndicate Member(s) that if it acquired any of the Equity Shares offered in the Issue for one or more managed account(s), that it was authorized in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- Acknowledge that our Company, the BRLM and the Syndicate Member(s) and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.

Disclaimer clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for listing and trading of Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company, and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within such time prescribed by SEBI of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Issue such time as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Consents

Consents in writing of each of our Promoters, our Directors, our Company Secretary and Compliance Officer, the BRLM, the Registrar to the Issue, Legal Counsel to the Issue, D&B India, Statutory Auditor, Banker to the Company, Independent Chartered Engineer, have been obtained; and consents in writing of the Syndicate Members, Monitoring Agency, the Bankers to our Issue to act in their respective capacities, will be obtained. Such consents shall not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus with the SEBI.

Experts to the Issue

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

Our Company has received written dated February 17, 2025 from Kaushal Dave & Associates, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) the examination reports on the Restated Financial Statements and their examination report dated February 17, 2025; and (ii) the Statement of Possible tax benefits dated February 17, 2025, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated September 17, 2024 from P. P. Bhadresa & Associates, Independent Chartered Engineer to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and their capacity as independent chartered engineer in respect of details in relation to capacity and capacity utilization of manufacturing unit of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

Particulars regarding Public or Rights Issues of our Company during the last five years

Our Company has not made any public or rights issue during the last five years preceding the date of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous Issues since the incorporation of our Company

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company/ Subsidiaries

Except as disclosed in "***Capital Structure – Share capital history of Company***" on page 85 of the Draft Red Herring Prospectus, our Company have not made any capital issues since its inception.

Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed group companies, subsidiaries or associates.

Performance vis-à-vis Objects – Public/ rights issue of our Company

Our Company has not undertaken any Public/ rights issues since its inception.

Performance *vis-à-vis* Objects – Public/ rights issue of the listed Subsidiaries/listed promoters of our Company

Further, as on the date of this Draft Red Herring Prospectus, our Company does not have any listed group companies, subsidiaries or associates.

Price information of past issues handled by the BRLM

Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Interactive Financial Services Limited:

Sr. No.	Issue Name	Issue Size (Cr)	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
				MAIN BOARD IPO				
1.	SRM Contractors Limited*	130.20	210	April 03, 2024	215.25	-5.17% (+0.59%)	-15.00% (+7.61%)	+25.86% (+15.05%)
				SME IPO				
2.	Vivaa Tradecom Limited (BSE SME)	7.99	51	October 12, 2023	40.80	-45.49% (-2.26%)	-41.18% (+7.50%)	-39.31% (+12.55%)
3.	Vrundavan Plantation Limited (BSE SME)	15.30	108	November 06, 2023	107.00	-42.59% (+6.68%)	-50.93% (+10.43%)	-51.85% (+13.73%)
4.	Kalaharidhaan Trendz Limited (NSE Emerge)	22.49	45	February 23, 2024	47.15	-7.78% (-0.94%)	+4.67% (+1.73)	-10.89% (+11.19%)
5.	Teerth Gopicon Limited (NSE Emerge)	44.39	111	April 16,2024	125.00	+99.41% (+0.24%)	+301.67% (+11.01%)	368.56% (+13.46%)
6.	DCG Cables and Wires Limited (NSE Emerge)	49.99	100	April 16,2024	90.00	-4.45% (+0.24%)	+48.65% (+11.01%)	+40.05% (+13.46%)
7.	Winny Immigration & Education Services Limited (NSE Emerge)	9.13	140	June 27, 2024	240.00	+107.29% (+3.29%)	+87.14% (+5.70%)	+118.57% (-1.90%)
8.	Kataria Industries Limited (NSE Emerge)	54.57	96	July 24, 2024	182.40	+94.48% (+1.66%)	+126.98% (1.54%)	+44.11% (-4.35%)
9.	Kizi Apparels Limited (BSE SME)	5.58	21	August 6, 2024	23.15	+95.71% (+4.78%)	+41.95% (+0.24%)	+11.43% (-68.69%)
10.	SPP Polymer Limited (NSE Emerge)	24.49	59	September 17, 2024	63.00	-27.37% (-1.76%)	-36.86% (-2.95%)	NA
11.	Malpani Pipes and Fittings Limited (BSE SME)	25.92	90	February 04, 2025	NA	NA	NA	NA

Sources: All share price data is from www.nseindia.com and www.bseindia.com

*Designated stock Exchange of SRM Contractors Limited is NSE Limited.

Note:

1. The BSE Sensex is considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. NA where the periods are not completed
4. NIFTY50 has considered as the benchmark index of NSE

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead managers. Hence, disclosures pertaining to recent 10 issues handled by the lead managers are provided.

Summary statement of price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Interactive Financial Services Limited

Financial Year	Total no. of IPOs	Total Funds raised (₹ in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th 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%
2021-22	1	40.00	NA	1	NA	NA	NA	NA	NA	1	NA	NA	NA	NA
2022-23	6	231.17	2	2	NA	1	NA	1	3	1	NA	1	NA	1
2023-24	7	173.87	1	2	3	NA	NA	1	2	1	3	1	NA	NA
2024-25	8	344.26	NA	1	2	4	NA	NA	NA	NA	NA	2	3	1

Track record of past issues handled by the BRLM

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 visit the website of the BRLM i.e. www.ifinservices.in.

Stock Market Data of the Equity Shares

This being the initial public issuing of the Equity Shares of our Company, the Equity Shares is not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

SEBI, by way of its circular dated March 16, 2021 ("**March 2021 Circular**") as amended by its circular dated April 20, 2022, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non allotment within prescribed timelines and procedures. SCSBs are required to resolve these complaints within fifteen (15) days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of fifteen (15) days. Pursuant to the March 2021 Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank(s) containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one (1) Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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 no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

Separately, pursuant to the March 2021 Circular, 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	Compensation 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	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹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 than the Bid Amount	1. Instantly revoke the difference amount i.e., blocked amount less the Bid Amount; 2. ₹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
Delayed unblock for non-Allotted / partially Allot0ted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation 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 by ₹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.

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight (8) years from the date of listing and commencement of trading of the Equity Shares, pursuant to the Issue, or such other period as may be prescribed under applicable law to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances in relation to the Bidding process, other than of Anchor Investors, may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM with whom the Bid cum Application Form was submitted by the Anchor Investor.

For helpline details of the BRLM pursuant to the March 2021 Circular, please see *“**General Information- Book Running Lead Manager**”* on page 78.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Issue.

Our Company, the BRLM and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with their obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case any pre-Issue or post Issue related problem such as non-receipt of letter 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.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Pragada Amitabhen Chhaganbhai as the Company Secretary and Compliance Officer and he may be contacted in case of any Pre-Issue or Post-Issue related problems, at the address set forth hereunder.

101/102, Silvercoin Complex
Opp.Crystal Mall, Kalawad Road
Rajkot, Gujarat, India 360005
Telephone: +91-281-2562538/39
Email: cs@anloncro.com

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

Further, our Company has constituted a Stakeholders’ Relationship Committee, which is responsible for the review and redressal of grievances of the security holders of our Company. For details, see "***Our Management***" on page 220.

Our Company has obtained authentication on the Securities and Exchange Board of India Complaints Redress System (“**SEBI SCORES**”) and is in compliance with the SEBI circulars in relation to redressal of investor grievances through SCORES.

Other confirmations

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

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

Our Company has not sought for any exemption from complying with any provisions of securities laws from SEBI.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and Allotted pursuant to the Issue will be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as maybe prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

The Issue

The Issue consists of a Fresh Issue by our Company.

Ranking of the Equity Shares

The Equity Shares being issued and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with applicable law. For further details, please see *"**Main Provisions of the Articles of Association**"* on page 347.

Mode of payment of dividend

Our Company will pay dividends, if declared, to the shareholders of our Company, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Allottees who have been Allotted Equity Shares in the Issue, in accordance with applicable law. For further details, please see *"**Dividend Policy**"* and *"**Description of Equity Shares and Terms of the Articles of Association**"* on pages 241 and 347, respectively.

Face Value, Issue Price, Floor Price and Price Band

The face value of the Equity Shares is ₹10/- each. The Floor Price of the Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Issue Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the BRLM, and shall be published at least two (2) Working Days prior to the Bid/Issue Opening Date, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and all edition of [●] (a widely circulated Gujarati daily newspaper, Gujarati being the regional language of Gujarat, where our Registered Office is located) respectively, and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the respective websites of the Stock Exchanges. The Cap Price shall be atleast 105% of the Floor Price. The Issue Price and discount (if any) 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 in time there will be only one denomination for the Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations from time to time.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable 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, the equity shareholders will have the following rights:

(i) Right to receive dividends, if declared;
(ii) Right to attend general meetings and exercise voting powers, unless prohibited by law;
(iii) Right to vote on a poll either in person or by proxy or e-voting in accordance with the provisions of the Companies Act, 2013;
(iv) Right to receive offers for rights shares and be allotted bonus shares, if announced;
(v) Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
(vi) Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
(vii) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013 the SEBI Listing Regulations, our Memorandum of Association, Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, please see *"**Description of Equity Shares and terms of the Articles Of Association**"* on page 347.

Allotment of Equity Shares only in dematerialised form

Pursuant to section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, the following agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Issue:

(i) Tripartite agreement dated May 21, 2024 among NSDL, our Company and the Registrar to the Issue; and
(ii) Tripartite agreement dated July 01, 2024 among CDSL, our Company and Registrar to the Issue.

The Company's Equity Shares bear ISIN no. INE0Y8W01017.

Market lot and trading lot

Since trading of the Equity Shares shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares to QIBs and RIBs. For NIBs, allotment shall not be less than the minimum non-Institutional application size. For the method of Basis of Allotment, please see *"**Issue Procedure**"* on page 326.

Jurisdiction

The courts of Gujarat, India will have exclusive jurisdiction for the purpose of the Issue.

Joint holders

Subject to the provisions of our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination Facility to investors

In accordance with section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or the first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is verified or cancelled in the prescribed manner.

A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the holder of such Equity Share(s) / person nominating. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar of our Company. Further, a nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Further, any person who becomes a nominee by virtue of section 72 of the Companies Act 2013 as mentioned above, shall, on the production of such evidence as may be required by our Board, elect either:

(i) to register himself or herself as holder of Equity Shares; or
(ii) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participants.

Bid / Issue Period

ANCHOR BID/ISSUE OPENS ON	[●]*
BID/ISSUE OPENS ON	[●](1)
BID/ISSUE CLOSES ON	[●](2)(3)

(1)Our Company, in consultation with the BRLM, may allocated up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.
(2)Our Company, shall, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.
(3)UPI mandate end time and date shall be 5.00 PM on Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
ANCHOR INVESTOR BIDDING DATE	[●]
BID/ISSUE OPENING DATE	[●]
BID/ISSUE CLOSING DATE	[●]
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	On or about [●]
INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT*	On or about [●]
CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES	On or about [●]
COMMENCEMENT OF TRADING OF THE EQUITY	On or about [●]

Event	Indicative Date
SHARES ON THE STOCK EXCHANGES	

*[**]In terms of SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, March 2021 Circular, June 2021 Circular and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. For details, please see "**Other Regulatory and Statutory Disclosures- Mechanism for redressal of investor grievances**" on page 313.*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLM. While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within within three Working Days of the Bid / Issue Closing Date or such period as may be prescribed by SEBI, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

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 three 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.

Any circulars or notifications from SEBI after this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change based on any revised SEBI circulars to this effect. Submission of Bids (other than Bids from Anchor Investors)

Bid/ Issue Period (except the Bid/Issue Closing Date)	
Submission and revision in Bids	Only between 10.00 am and 5:00 pm Indian Standard Time ("IST")
Bid/ Issue Closing Date	
Submission of electronic applications (online ASBA through 3-in-1 accounts)	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is upto ₹5.00 Lakhs)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (direct bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹5.00 Lakhs)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. and up to 4.00 p.m. ISTon Bid/ Issue Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

[*]UPI mandate end time shall be 5:00 pm on the Bid / Issue Closing Date.
[#]QIBs and Non-Institutional Bidders can neither revise their Bids downwards nor cancel/withdraw their Bids.

On the Bid/Issue Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors; and
(ii) Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by RIBs, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the Registrar to the Issue on a daily basis, as per the format prescribed in March 2021 Circular and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date, and in any case, no later than 1:00 p.m. IST on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/Issue Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Issue Period. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side i.e., the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three (3) additional Working Days after such revision, subject to the Bid/Issue Period not exceeding ten Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, in consultation with the BRLM may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one (1) Working Days, subject to the Bid/Issue Period not exceeding ten Working Days.

Any revision in the Price Band and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid lot shall remain the same.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application

Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Issue, and (ii) a subscription in the Issue equivalent to at least 25% post-Issue paid up Equity Share capital of our Company, as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within 60 days from the date of Bid/Issue Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Issue Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued under this Draft Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, our Company to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders and subscription money will be refunded. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Restrictions, if any, on Transfer and Transmission of Equity Shares

Except for the lock-in of pre-Issue Equity Share capital of our Company, lock-in of our Promoters' contribution and Anchor Investors' lock-in, as detailed in *"**Capital Structure**"* on page 85 and except as provided in our Articles of Association as detailed in *"**Description of Equity Shares and Terms of the Articles of Association**"* on page 347, there are no restrictions on transfers and transmission of Equity Shares /debentures and on their consolidation or splitting.

Withdrawal of the Issue

The Issue will be withdrawn in the event that 90% of the Fresh Issue portion is not subscribed.

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue for any reason at any time after the Bid/ Issue Opening Date but before the Allotment.

In such an event, our Company would issue a public notice in the same newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLM, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Issue and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

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ISSUE STRUCTURE

This Issue is being made through the Book Building Process. The Initial public offering of up to 1,40,00,000 Equity Shares of face value of ₹10 each, for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] Lakhs by our Company. The face value of the Equity Shares is ₹10 each. The Issue shall constitute [●]% 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 6(2) and 31 of the SEBI ICDR Regulations.

Particulars	QIBs[(1)]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
Number of Equity Shares available for Allotment/ allocation* [(2)]	Not more than [●] Equity Shares, aggregating up to ₹ [●] Lakhs	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Non-Institutional Bidders
Percentage of Issue Size available for Allotment/ allocation	Not less than 75% of the Issue shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not more than 15% of the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000. Under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other sub-category of the Non- Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.	Not more than 10% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Not more than [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third	The allotment of specified securities to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non- Institutional Portion, and the remainder, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of the portion	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 allocated on a proportionate basis. For further details, please see *"**Issue Procedure**"* on page 326.

Particulars	QIBs[(1)]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
	shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.	
Mode of Bidding	Through ASBA process only (excluding the UPI Mechanism) except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for a Bid size of up to ₹500,000)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of [●] Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter, such that the Bid Amount does not exceed ₹200,000
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the Anchor Investor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the QIB Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[(3)(4)]	Public financial institutions as specified in section 2(72) of the Companies Act, scheduled commercial banks, mutual funds, FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹2,500 Lakhs, pension funds (subject to applicable law) with minimum corpus of ₹2,500 Lakhs, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)

Particulars	QIBs[(1)]	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI mechanism (other than Anchor Investors), that is specified in the Bid cum Application Form at the time of submission of the Bid cum Application Form.		

** Assuming full subscription in the Issue.*

(1) Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to the Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹1,000 Lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 Lakhs but up to ₹25,000 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹25,000 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 Lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹500 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹1,000 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion.

(2) Subject to valid Bids being received at or above the Issue Price. This Issue is being made in accordance with rule 19(2)(b) of the SCRR, through the Book Building Process and in compliance with regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Managers may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

(3) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any positive difference between the price at which Equity Shares are allocated to the Anchor Investors and the Anchor Investor Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Bids by FPIs with certain structures as described under *"**Issue Procedure**"* on page 326 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three (3) additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding ten (10) Working Days. Any revision in the Price Band, and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

ISSUE PROCEDURE

*All Bidders should read the General Information Document, for Investing in Publics Issue prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars ("**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (viii) submission of Bid cum Application Form; (ix) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (x) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xi) mode of making refunds; and (xii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (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. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was to continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the Covid-19, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The BRLM shall be the nodal entity for any issues arising out of public issuance process. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two (2) Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of application monies from fifteen (15) days to four (4) days.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company, the BRLM and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and in the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Book Building Procedure

The Issue is being made in terms of rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLM in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price.

In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% 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 at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. 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. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six (6) Working Days during this phase. Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

The Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 Lakhs, shall use the UPI Mechanism. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹2.00 Lakhs and up to ₹2.00 Lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Electronic registration of Bids

(i) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.

(ii) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(iii) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period till 5:00 pm on the Bid/ Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Bid cum Application Form

Copies of the ASBA Forms and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. An electronic copy of ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLM at the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process, which shall include the UPI Mechanism in the case of UPI Bidders. UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI

Bids by ASBA Bidders

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

Applications made by the Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. . For all initial public offerings opening on or after September 1, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), 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 ASBA Bidders, including UPI 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, which is effective from September 1, 2022.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

** Excluding electronic Bid cum Application Forms*

Notes:

(a) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com.)

(b) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries 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. For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. For ASBA Forms (other than RIBs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges 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.

In case of ASBA Forms, the relevant Designated Intermediaries shall capture and 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.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders, for blocking of funds. Stock Exchanges 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.

The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders 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. Further, modification of Bids shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the BRLM for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details 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 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022. Further, the processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, issued by SEBI and circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with Issuer banks and Sponsor Banks on a continuous basis.

For ASBA Forms (other than RIIs Bidding using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of 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 Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the BRLM and the Syndicate Members, Promoter, Promoter Group and persons related to Promoter / Promoter Group

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in the Issue in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may bid for Equity Shares in the Issue, either in the Net QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associates of the BRLM can apply in the Issue under the Anchor Investor Portion:

(1) Mutual funds sponsored by entities which are associate of the BRLM
(2) Insurance companies promoted by entities which are associate of the BRLM
(3) AIFs sponsored by the entities which are associate of the BRLM; or
(4) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM;
(5) Pension funds (registered with the Pension Fund Regulatory and Development Authority established

under sub-section (1) of section 3 of the Pension Fund Regulatory Authority and Development Authority Act, 2013) sponsored by entities which are associate of the BRLM.

Further, persons related to our Promoter and Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a *"person related to the Promoter or Promoter Group"*: (a) rights under a shareholders' agreement or voting agreement entered into with the Promoter or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if:

(a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLM.

Our Promoters and the members of the Promoter Group will not participate in the Issue.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

In case of multiple Bids, bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any company, provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non-Resident ("**FCNR**") accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] colour).

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

For details of restrictions on investments by NRIs, please see *"**Restrictions on Foreign Ownership of Indian Securities**"* on page 346.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the karta. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivate instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

(i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
(ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI

Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

(i) FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
(ii) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
(iii) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
(iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
(v) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
(vi) Government and Government related investors registered as Category 1 FPIs; and
(vii) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the Applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus."

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the **"FPI Group**") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, 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 or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company subject to compliance with applicable requirements.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, 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 or health insurer;

(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 health insurer 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 operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer 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 (i), (ii) and (iii) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 Lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹50,00,000 Lakhs or more but less than ₹ 2,50,00,000 Lakhs.*

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI; (ii) certified copy of its last audited financial statements on a standalone basis; (iii) a net worth certificate from its statutory auditor; and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically 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 NBFC-SI shall be prescribed by RBI from time to time.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹2,500 Lakhs and pension funds with a minimum corpus of ₹2,500 Lakhs, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹1,000 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹1,000 Lakhs.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/Issue Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

   (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹1,000 Lakhs;

   (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 Lakhs but up to ₹25,000 Lakhs, subject to a minimum Allotment of ₹500 Lakhs per Anchor Investor; and

   (c) in case of allocation above ₹25,000 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 Lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 Lakhs, subject to minimum Allotment of ₹500 Lakhs per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price.

(ix) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.

(x) Neither the BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associate of the BRLM or pension funds sponsored by entities which are associates of the BRLM) nor any person related to the Promoter or member of our Promoter Group shall apply in the Issue under the Anchor Investor Portion.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹2,500 Lakhs, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLM are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

Do's:

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT Circular No.7 of 2022 dated March 30, 2022 read with press release dated March 28, 2023.;
2. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that (other than Anchor Investors) you have mentioned correct details of ASBA Account (i.e., bank account or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they

have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
11. 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 Bid cum Application Form;
12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial 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;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. 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;
19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
21. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
22. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
23. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid

cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

24. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
25. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/Issue Closing Date;
26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;
27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at www.sebi.gov.in) or such other websites as updated from time to time;
29. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
30. Retail Individual Investors Bidding using the UPI Mechanism 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, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
31. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
32. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner and;
33. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.
34. Ensure that the Anchor Investors submit their Bid cum Application Forms only to the BRLM;
35. The ASBA Bidders shall ensure that bids above ₹500,000 are uploaded only to the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don’ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary

only;

6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
15. If you are a RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
16. Do not submit the General Index Register (GIR) number instead of the PAN;
17. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Investors)
18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Issue Closing Date;
21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
22. 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 Retail Individual Investors using the UPI Mechanism;
23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
28. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
29. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
30. Do not Bid if you are an OCB;
31. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, please see "***General Information- Company Secretary and Compliance Officer***" on page 77.

For helpline details of the BRLM pursuant to the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see "***General Information –Book Running Lead Manager***" on page 78.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manners specified in the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares through the Issue Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis.

The Allotment to each NII shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in Schedule XIII to the SEBI ICDR Regulations.

Payment into Escrow Account for Anchor Investors

Our Company in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(1) In case of resident Anchor Investors: "[●]"
(2) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Bank and the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections of Bid amounts from Anchor Investors.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Draft Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in all edition of [●] (a widely circulated English national daily newspaper), all edition of [●] (a widely circulated Hindi national daily newspaper), and all edition of [●] (a widely circulated Gujarati Regional Daily newspaper) (Gujarati being the regional language of Gujarat where our Registered Office is located). Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

The information set out above is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of [●], a widely circulated English national daily newspaper; (ii) all editions of [●], a widely circulated Hindi national daily newspaper; and (iii) all editions of [●], a widely circulated Gujarati national daily newspaper, Gujarati also being the regional language of Gujarat, where our Registered Office is located).

Signing of Underwriting Agreement and filing with the Registrar of Companies

Our Company intends to enter into an Underwriting Agreement after the finalisation of the Issue Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

1. Tripartite Agreement dated May 21, 2024 among NSDL, our Company and the Registrar to the Issue.
2. Tripartite Agreement dated July 21, 2024 among CDSL, our Company and Registrar to the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*

A. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
B. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
C. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 Lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 Lakhs or with both.

Undertakings by our Company

Our Company undertakes the following:

(i) the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws, failing which interest will be due to be paid to the Bidders at the rate prescribed under the applicable laws for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed under the applicable laws;

(iv) the funds required for making refunds/ unblocking (to the extent applicable) to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly

(vii) that if our Company, in consultation with the BRLM, withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter

(viii) Promoter’s contribution, if any, shall be brought in advance before the Bid / Issue Opening Date

(ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(x) no further issue of Equity Shares shall be made until the Equity Shares Issued through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

Utilisation of Issue Proceeds

Our Company, specifically confirm and declare:

1. That all monies received from the Issue shall be credited / transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
2. Details of all monies utilised out of the proceeds from the Issue shall be disclosed, and continue to be disclosed till all the time any part of the proceeds from the Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised, or the form in which such unutilised monies have been invested; and
   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.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA.

While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") has issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of upto 100% is currently permitted under the automatic route for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Apply for the Issue do not exceed the applicable limits under applicable laws or regulations.

For further details, see "***Issue Procedure***" on page 326.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, August 03, 2024 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Article 1

1. The regulation contained in the Table marked 'F' in Schedule F to the Companies Act, 2013 as amended from time to time, 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.

Article 2

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 or addition to its regulations by resolutions as prescribed or permitted by the Companies Act 2013, as amended from time to time, be such as are contained in these Articles.

Article 3

DEFINITIONS AND INTERPRETATION

3. In these Articles, the following words and expressions unless repugnant to the subject shall mean the following:

"**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.

"Annual General Meeting" means the annual general meeting of the Company convened and held in accordance with the Act.

"Articles of association" or "Articles" mean these articles of association of the Company, as originally framed or as altered from time to time or applied in pursuance of any previous company law or of this Act.

"Board" or Board of Directors" means collective body of the Directors of the Company.

"Business" shall mean the business as mentioned in Memorandum of Association including related activities and such other business, in each case as approved by the Board of Directors in accordance with the provisions of these Articles.

"Capital" means the share capital, for the time being, raised or authorized to be raised, for purposes of the Company.

"Chairman" means the chairman of Board of Directors and/or of the Company.

"Company" means Anlon Healthcare Limited, a company Incorporated under the laws of India.

"Depository" means in depository, as defined in clause (e) of sub-section (I) of Section 2 of the

Depositories Act, 1996 and a company formed and registered under the Companies Act, 2013 and which has been granted a certificate of registration under sub-section (IA) of Section 12 of the Securities and Exchange Board of India Act, 1992.

“Director” shall mean any director of the Company, including alternate directors, Independent Directors and nominee directors appointed by the Board in accordance with the provisions of these Articles.

“Equity Shares or Shares” shall mean the issued, subscribed and fully paid –up equity shares of the Company of Rs. 10/- each.

“Exchange” shall mean BSE Limited and the National Stock Exchange of India Limited.

“Extraordinary General meeting” means and extraordinary general meeting of the Company convened and held in accordance with the Act.

“General Meeting” means any duly called, constituted and convened meeting of the shareholders of the Company under the provisions of the Act, and any adjournments thereof:

“Member” means the duly registered holder from time to time, of the shares of the Company and includes the subscribers to the Memorandum of Association and in case of shares held by a Depository, the beneficial owners whose names are recorded as such with the Depository:

“Memorandum” or Memorandum of Association” means the memorandum of association of the Company, as may be altered from time to time:

“Office” means the registered office, for the time being of the Company:

“Officer” shall have the meaning assigned thereto by the Act:

“Ordinary Resolution” shall have the meaning assigned thereto by the Act.

“Register of Members” means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository.

“Special Resolution” shall have the meaning assigned thereto by the Act.

4. Except where the contact requires otherwise these Articles will be interpreted as follows.

(a) headings are for convenience only and shall not affect the construction or interpretation any provision of these Articles

(b) where a word or phrase is defined other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings:

(c) words importing the singular shall include the plural and vice versa:

(d) all words (whether gender –specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders:

(e) the expressions “hereof” “herein” and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expressions appears:

(f) the *ejusdem generis* (for the same kind) rule will not apply to the interpretation of these Articles. Accordingly include and including will be read without limitation.

(g) Any reference to a person includes any individual firm, corporation partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind whether or not having separate legal personally. A reference to any person in these Articles shall where the context permits include such person's executions administrators, heirs legal representatives and permitted successors and assigns:

(h) a reference to any document (including these Articles) is to that document as amended consolidated, supplemented, notated or replaced from time to time,

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to any statute or statutory provision includes to the extent applicable at any relevant time.

(k) (i) that statute or statutory provision as from time to time consolidated modified, re-enacted or replaced by any other stature or statutory provision; and
(ii) any subordinate legislation or regulation made under the relevant statute or statutory provision:

(l) references to writing include any mode of reproducing words in a legible and non – transitory form; and

(m) references to Rupees Re., Rs. INR, ₹ are references to the lawful currency of India.

SHARE CAPITAL AND VARIATION OF RIGHTS

5. AUTHORISED SHARE CAPITAL

The authorised share capital of the Company shall be such amount divided in to such numbers, class(s) and description of shares and into such denomination(s) as stated for the time being, or may be varied, from time to time, under the provisions of the Act, in the Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time.

The Company in a General Meeting may from time to time, increase the capital by the creation of new shares. Such increase in the capital shall be of such aggregate amount and to be divided into such number of Shares of such respective amounts, as the resolution, so passed in that respect, shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting, resolving upon the creation thereof, shall direct, and, if no direction be given, as the Directors shall determine, and in particular such Shares may be issued with a preferential, restricted or qualified right to dividends, and in the distribution of assets of the Company on winding up and with or without a right of voting at General Meetings of the Company, in conformity with and only in the manner prescribed by the provisions of the Act. Whenever capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the applicable provisions of the Act.

6. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installment forfeiture lien, surrender, transfer and transmission, voting and otherwise.

7. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable law.

(a) Equity share capital
 (i) With voting rights, and / or
 (ii) With differential rights as to dividend voting or otherwise in accordance with the Act; and
 (iii) Options or Warrant which may be converted to Equity in accordance with the Act.

(b) Preference share capital
 (i) Redeemable preference shares in accordance with the Act.

8. SHARES AT THE DISPOSAL OF THE DIRECTORS

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 of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit

9. CONSIDERATION FOR ALLOTMENT

The Board of Directors may issue and allot shares of the Company as payment in full or in part for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and /or in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. Provided that option or right to call on Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. The Board shall cause to be filed the returns as to allotment as may be prescribed from time to time.

10. SUB –DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the applicable provisions of the Act, the Company in its General Meetings may by an ordinary Resolution, from time to time:

(a) Increase the share capital by such sum to be divided into shares of such amount as it thinks expedient:

(b) Divide, sub-divide, reclassify or consolidate its shares or any of them, and the resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others.

(c) Cancel shares which at the date of such General meeting have not been taken or agreed to be takes by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

(d) 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; and

(e) Convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination

11. FURTHER ISSUE OF SHARES

(1) Subject to the provisions of the Act and the rules framed thereunder and the regulations framed by SEBI which are applicable to the Company at the time of the issue of capital, where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares either out of the unissued or out of the increased share capital then such shares shall be offered,:

(A) To the persons who at the date of the offer are holders of the Equity shares of the Company in proportion as nearly as circumstances admit to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iii) below:

(i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as may be prescribed and not exceeding thirty days from the date of the offer, within which the offer if not accepted shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue:

(ii) The offer aforesaid 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 and the notice referred to in sub-clause (ii) shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any Person in whose favour any member may, renounce the Shares offered to him;

(iii) After the expiry of time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the members and the Company.

(B) to employees under any scheme of employees stock option subject to special resolution passed by the Company and subject to the rules and such other conditions as may be prescribed under applicable law: or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered value subject to compliance with the applicable conditions prescribed in the Act and the rules made thereunder;

(2) Nothing in sub – clause (iii) of Clause (I)(A) shall be deemed:

(i) To extend the time within which the offer should be accepted or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a special resolution passed by the Company in a General Meeting.

(4) Notwithstanding anything contained in Article 11(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company and if that government considers it necessary in the public interest so to do, it may by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order appeal to National Company Law Tribunal which shall after hearing the Company and the Government may pass such order as it deems fit.

In determining the terms and conditions of conversion under above mentioned clause, the government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

Where the government has, by an order made under abovementioned clause, directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under above mentioned clause or where such appeal has been dismissed, the Memorandum of the Company shall, where such order the effect of increasing the authorized share capital of the Company, be altered and the authorized share capital of the Company shall stand increased by an amount equal to the amount of the value of Shares which such debentures or loans or part thereof has been converted into.

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 made thereunder.

12. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

Any application signed by or on behalf of an applicant for shares in the Company followed by and allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person, who, thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a member.

13. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act and other applicable laws, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act and other applicable laws.

14. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall on the allotment of any shares being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, in the manner prescribed by the Board.

15. INSTALLMENTS ON SHARES

If, by the conditions of allotment of any shares whole or part of the amount or issue price thereof shall be payable by installments every such installment shall which due, be paid to company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

16. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

Every Member or his heirs executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may for the time being remain unpaid there on in such amounts at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

17. VARIATION OF SHAREHOLDERS RIGHTS

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and other applicable laws and whether or not the Company is being wound up, be varied with the consent in writing of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class as prescribed by the Act.

(b) Subject to the provisions of the Act and other applicable laws to every such separate meeting the provisions of these Articles relating to meeting shall mutatis mutandis apply

18. PREFERENCE SHARES

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non –cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company subject to the applicable provisions of the Act and the consent of the Board shall have power to issue on a cumulative or non – cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act exercise such power as they deem fit and provide for redemption at a premium or otherwise and /or conversion of such shares into such securities on such terms as they may deem fit

19. PAYMENTS OF INTEREST OUT OF CAPITAL

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

20. **AMALGAMATION**

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

21. ISSUE OF CERTIFICATE

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors so determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of Court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case may be or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. 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 certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate shall specify the shares to which it relates and the amount paid –up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

Provided that where the Company does not have a seal, the share certificates shall be signed by two Directors, or by a director and the company secretary, wherever the company has appointed a company secretary.

22. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

23. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law) provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provisions of the foregoing Articles relating to issue of certificates in relation to are shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

UNDERWRITING & BROKERAGE

24. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

(a) Subject to the provision of the Act and other applicable laws, the Company may at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) to any shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company.

(b) The Company may also, in any issue, pay such brokerage as may be lawful.

(c) 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.

LIEN

25. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time in respect of that share / debenture and equitable interest in any share shall be created upon the footing and condition that this Article will have full effect. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid up shares shall be free from all lien and in the case of partly paid up shares the Company's liens shall be restricted to moneys called or payable at a fixed time in respect of such shares.

26. LIEN TO EXTEND TO DIVIDENDS, ETC.

The company's lien, if any, on a share shall extend to all dividends or interest, as case may be, payable and bonuses declared from time to time in respect of such / debentures.

27. ENFORCING LIEN BY SALE

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 (14) 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 or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

28. VALIDITY OF SALE

To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.

29. VALIDITY OF COMPANY'S RECEIPT

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or at 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.

30. APPLICATION OF SALE PROCEEDS

The proceeds of any such 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 and 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.

31. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

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 justification or unless required by law) be bound to recognize any equitable or other claim to or interest in, such share on the part of any other person whether a creditor of the registered holder or otherwise. The Company's lien shall prevail not withstanding that it has received notice of any such claim.

32. PROVISIONS AS TO LIEN TO APPLY MUTATIES MUTANDIS TO DEBENTURES ETC.

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

CALLS ON SHARES

33. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed time. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on share shall not be delegated to any other person except with the approval of the shareholders' in a General meeting.

34. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) day's 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.

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.

35. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier then the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

36. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof

37. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from his on the day appointed for payment thereof, or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the

Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

38. **DUES DEEMED TO BE CALLS**

Any sum which by the terms of issue of 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.

39. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payments 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.

40. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Board –

(a) May, subject to provisions of the Act, 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 agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends or (ii) 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. The Directors may at any times repay the amount so advanced.

41. **PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTUTES, ETC.**

The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

42. BOARD TO HAVE A RIGHT TO FORFEIT SHARES

If a Member fails to pay any call, or installment 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 installment remains unpaid or a judgment 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 installment 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.

43. **NOTICE FOR FORFEITURE OF SHARES**

The notice aforesaid shall

(a) Name a day, (not being earlier then the expiry of fourteen days from the date of services of the notice) on or before which the call or installment and such interest and expenses as required by the notice is to be made; and

(b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

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. Subject to the provisions of the Act, 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.

44. **RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE**

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 payments of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law

45. **FORFETTED SHARE TO BE THE PROPERTY OF THE COMPANY**

Any share forfeited in accordance with these Articles shall be deemed to be the property of the Company and may be sold. Re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit

46. **ENTRY OF FORFEITURE IN REGISTER OF MEMBERS**

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but so forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry its aforesaid.

47. **MEMBER TO BE LIABLE EVEN AFTER FORFETURE**

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. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full all such monies in respect of the shares.

48. **EFFECT OF FORFEITURE**

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, except only such of those rights as by these Articles expressly saved.

49. **CERTIFICATE OF FORFEITURE**

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 fact therein stated as against all persons claiming to be entitled to the share.

50. **TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES**

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. The transferee shall thereupon to registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title so the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale re – allotment or disposal of the share.

51. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing alien 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 is respect of such shares the validity of the sale shall not be impeached by any person.

52. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

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 deflating member) stand cancelled and become null and void and be of no effect and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto

53. BOARD ENTTLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, re allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit

54. SURRENDER OF SHARE CERTIFICATES

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 term as they think fit

55. SUMS DEEMED TO BE CALLS

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 affixed 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

56. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DENENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

57. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

58. ENDORSEMENT OF TRANFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct and endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing certificate in the name of the transferee.

59. INSTRUMENT OF TRANSFER

a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized from, the provisions of the Depositories Act, 1996 shall apply.

b) The Board may decline to recognize any instrument of transfer unless
   (i) the instrument of transfer is in the form prescribed under the Act:
   (ii) the instrument of transfer is accompanied by the certificate of 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
   (iii) the instrument of transfer is in respect of only one class of shares.

c) No fee shall be charged for registration of transfer transmission, probate, succession certificate and letters of administration certificate of death or marriage power of attorney or similar other document.

60. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed both by and on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

61. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days notice or such period as may be prescribed, to close the transfer books, register of members, the register of debenture holders at such time or times and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

62. DIRECTORS MAY REFUSE TO REGISTER TRANSFEER

Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion) decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission as the case may be, was delivered to the Company, provided that registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares debentures in whatever lot shall not be refused.

63. TRANSFER OF PARTLY PAID SHARES

Where in the case of partly paid shares an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

64. TITLE TO SHAES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the

Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

65. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian

66. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, money bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (with it shall not be under any obligation to give) upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder or so make such transfer of the share as the deceased or insolvent member could have made. 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 be so elects provided nevertheless if such person shall elect to have his nominee registered, be shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares . Further, all limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer 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

67. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the company

Provided that the Board may at any time give a 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 (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirement of notice have been complied with.

68. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

69. COMPANY NOT LIABLE TO NOTICE OF EQUIATBLE RIGHTS

The company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register)to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights ,title or interest or under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the board shall so think fit.

70. **TRANSFER AND TRANSMISSION OF DEBENTURES**

The provisions of these Articles, shall, mutatis mutandis, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the company.

ALTERATION OF CAPITAL

71. RIGHTS TO ISSUE SHARE WARRENTS

The company may issue share warrants subject to and in accordance with provisions of the Act and other applicable laws. The board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the board may from time to time require having been paid, issue a warrant.

72. BOARD TO MAKE RULES

The board may from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

73. SHARES MAY BE CONVERTED INTO STOCK

Where share are converted into stock:

a) the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same Articles under which, the share from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

Provided that the board may, from time to time, fix the minimum amount of stock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

b) the holders of stock shall, accordingly to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends ,voting at meetings of the company and other matters as if they held the shares from which the stock arose ,but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares have conferred that privilege or advantage;

c) such of the Articles of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/”member” shall include “stock” and “stock holder” respectively.

74. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the applicable laws-

a) its share capital ;and /or
b) any capital redemption reserve account ;and /or
c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be(i)extinguishing or reducing the liability on any of its shares in respect of share capital not paid up ;(ii)either with or without extinguishing or reducing liability on any of its shares (a) cancel paid up share capital which is lost or is unrepresented by available assets or (b) pay off any paid up share capital which is in excess of the wants of the company and may, if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

75. **DEMATERIALSATION OF SECURITIES**

a) The Company shall recognize interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provision of the Depositories Act,1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and participants) Regulations ,2018 and other applicable laws.

b) <u>Demateralisation /Re-Materalisation of Securities</u>

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the company shall be entitled to dematerialize its existing securities, re-materalise its securities held in Depositories and/ or offer its fresh securities in the dematerialized form pursuant to the Depositories Act,1996 and the rules framed thereunder, if any.

c) <u>Option to receive security certificate or hold securities with the Depository</u>

Every person subscribing to or holding securities of the company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that security.

d) <u>Securites in Electronic Form</u>

All securities held by a Depository shall be dematerialized and held in electronic form. No certificates shall be issued for the securities held by the Depository.

e) <u>Beneficial owner deemed as absolute owner</u>

Except as ordered by the Court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claims to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute rights thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

f) <u>Register and index of beneficial owners</u>

Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share shall, within such time and in such form as prescribed under the Act, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest (including the change, if any) in such share in such manner as may be required under the provisions of the Act.

Where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration, a return in the prescribed form with the Registrar with regard to such declaration.

The company shall cause to be kept a register and index of members with details of securities held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The company shall have the power to keep in any state or country outside India, a Register of members, resident in that state or country.

76. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities out of free reserves, the securities premium account or the proceeds of issue of any Share or specified Securities.

Subject to the all applicable provisions of the Act and subject to such approvals, permissions, consents and sanctions from the concerned authorities and departments, including Securities Exchange Board of India and the Reserve Bank of India, if any, the Company may, by passing a special resolution at a general meeting, purchase its own Shares or other specified securities (hereinafter referred to as 'buy-back') from its existing Shareholders on a proportionate basis and/or from the open market and/or from the lots smaller than market lots of the securities (odd lots), and/or the securities issued to the employees of the Company pursuant to a scheme of stock options or sweat equity, from out of its free reserves or out of the securities premium account of the Company or out of the proceeds of any issue made by the Company specifically for the purpose, on such terms, conditions and in such manner as may be prescribed by law from time to time; provided that the aggregate of the securities so bought back shall not exceed such number as may be prescribed under the Act or Rules made from time to time.

GENERAL MEETINGS

77. ANNUAL GENERAL MEETINGS

a. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year
b. An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

78. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meetings". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

79. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of members, convene an Extraordinary General Meeting of the company in the circumstances and in the manner provided under the Act.

80. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) day's notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transferred at such a meeting in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and /or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

81. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

82. **CIRCULATION OF MEMBERS' RESOLUTION**

The company shall comply with provisions of section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of members.

83. SPECIAL AND ORDINARY BUSINESS

a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

b) In case of special business as aforesaid, an explanatory statement as required under the applicable provision of the Act shall be annexed to the notice of the meeting.

84. QUORUM FOR GENEREAL MEETING

Five (5) Members or such other number of Members as required under the provision of section 103 the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for the General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting

85. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

86. CHAIRMAN OF GENERAL MEETING

The Chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company

87. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the members present shall chose a member to be the chairman.

88. ADJOURNMNET OF MEETING

Subject to the provision of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

89. VOTING AT MEETING

At any General meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at anytime by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

90. DECISION BY POLL

If a poll is duly demanded in accordance with the provision of the Act, it shall be taken in such manner as the Chairman directs as the results of the poll deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded

91. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or an a poll, the chairman of the General meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a member

92. **PASSING RESOLUTIONS BY POSTAL BALLOT**

a) Notwithstanding any of the provisions of these Articles, the company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General meeting of the company

b) where the company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the act.

c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf

VOTE OF MEMBERS

93. VOTING RIGHTS OF MEMBERS

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 holding Equity shares and present in person shall have one vote.

b) On a poll, every member holding Equity Shares therein shall have voting rights in proportion to his share in the paid up equity share capital .

c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once

94. VOTING BY JOINT HOLDERS

In case of Joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders

95. VOTING BY MEMBER OF UNSOUND MIND

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 legal guardian may, on a poll ,vote by proxy

96. NO RIGHT TO VOTE UNLESS CALLS ARE MADE

No member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid or in regard to which the Company has lien and has exercised any right of lien.

97. PROXY

Any member entitled to attend and vote at a General Meeting may do so either personally or through his continued attorney or through another person as a proxy on his behalf, for that meeting

98. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose .The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a member of the company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other attorney (if any) under which it is signed or a notarized copy of that power must be deposited at the office of the company not less than fourty eight hours(48) prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid

99. VALIDITY OF PROXY

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 shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity ,revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

100. CORPORATE MEMBERS

Any corporation which is a member of a company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act its representative at any meeting of the company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

101. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting and, subject to the applicable provisions of the Act, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) director shall be resident of India i.e. atleast one director who has stayed for minimum 182 days in India in a previous calendar year.

The Company shall appoint such number of woman director as may be required under the provisions of the Act other applicable laws.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following shall be the first directors of the company
a) Meet Atulkumar Vacchani
b) Akash Pravinbhai Bhalara
c) Paresh Mansukhbhai Bhalara
d) Punitkumar R. Rasadia
e) Ridham Maheshbhai Desai
f) Vaibhav Narendrabhai Ramani

102. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any director

103. ADDITIONAL DIRECTORS

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.

104. ALTERNATE DIRECTORS

a) Subject to the provisions of the Act, the Board may, appoint a person, not being a person holding any alternate directorship for any other director in the company or holding directorship in the Company ,to act as an alternate director for a director during his absence for a period of not less than 3(three) months from India (hereinafter in this Article called the "**Original Director**")

b) 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. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the original director and not to the alternate director.

105. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

Subject to the provisions of the Act, 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 which shall be subsequently approved by members in the immediate next general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

106. REMUNERATION OF DIRECTORS

(a) A Director (other than a Managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including Managing Director and / or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any director who is not a *bonafide* resident of the place where a meeting of the board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board, may consider fair compensation for travelling, and out-of-pocket expenses and if any director be called upon to go or reside out of the ordinary place of his residence on the company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the company.

(c) The Managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the company and shall be entitled to be paid by the company any remuneration that they may pay to such part time employees.

107. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Directors as a Member of any committee formed by the Directors) in going or residing away from the town in which the office of the Company may be situated for any purposes of the company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

108. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

109. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

110. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office and they will be eligible for re-election. The managing director or whole time director appointed shall be included in calculating the total number of Directors of whom one third shall retire from office under this Article and will be retire by rotation. Provided nevertheless that the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

111. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the company, at the Annual General meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto

112. **WHICH DIRECTOR TO RETIRE**

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

113. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the company may by an Ordinary resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an ordinary resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act and shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

114. DIRECTORS NOT LIABLE FOR RETIREMENT

The company in General meeting may, when appointing a person as a director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

115. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

Directors of the company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

116. MEETINGS OF THE BOARD

a) The Board of Directors shall meet as and when required with a maximum gap of four(4) months between two(2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

b) The Chairman may, at any time, and the secretary or such other Officer of the company as may be authorized in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the board shall be given to every Director and every alternate director at his usual address whether in India or abroad.

c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting ;and (iii) an agenda setting out the business proposed to be transacted at the meeting

d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any director participating in a meeting though the use of video conferencing shall be counted for the purpose of quorum.

117. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at the meeting of the board shall be decided by majority of votes and in case of equality of votes, the Chairman in his absence the Vice Chairman are the director presiding shall have a second or casting vote.

118. QUORUM

Subject to the provisions of the act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested directors is equal to or exceeds two-thirds of total strength, the number of remaining directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such times. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution of meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the board, at the time of the discussion or vote on the concerned matter or resolution.

119. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

120. ELECTION OF CHAIRMAN OF BOARD

a) The board may elect a Chairman of its meeting and determine the period for which he is to hold office.

b) If no such Chairman is elected or at any meetings the Chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one along themselves to be the Chairman of the meeting.

121. POWERS OF DIRECTORS

a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting but no regulation made by the company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation not been made.

b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner has the Board shall from time to time by resolution determine.

122. DELEGATION OF POWERS

a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

b) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

123. ELECTION OF CHAIRMAN OF COMMITTEE

a) A committee may elect a Chairman of its meeting. If no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of the members to be the Chairman of the committee meeting.

b) The Quorum of a committee may be fixed by the board of directors.

124. QUESTIONS HOW DETERMINED

a) A Committee may meet and adjourn as it thinks proper

b) Questions arising at any meeting of committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the Chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

125. VALIDITY OF THE ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board or 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 even such Director or such person has been duly appointed and was qualified to be a Director

126. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the act , a resolution in writing circulated in draft together with the necessary papers , if any, to all the Directors or to all the members of the committee then in India , not being less in number than the quorum fixed of the meeting of the Board or the Committee as the case may be and to all other Directors or members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the board or committee duly convened and held.

127. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to keeping of a foreign register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may think fit respecting the keeping of any register.

128. BORROWING POWERS

a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular , by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided however, that the moneys to be borrowed, together with the money altered borrowed by the company apart from temporary loans (as defined under section 180 (1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special resolution at a General meeting exceed the aggregate of the paid capital of the company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General meeting in relation to the exercise of the power to borrow shall specify the total amount up to which the moneys may be borrowed by the board of Directors.

a) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or Managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

b) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the company.

c) Any Bonds , debentures -stock or other securities may if permissible under applicable law may be issued at a discount , premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner for such consideration as the Board shall consider to be for the benefit of the company, and on the condition that they or any part of them may be convertible into Equity shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity shares shall not be issued except with the sanction of the Company in General meeting accorded by a Special resolution.

129. NOMINEE DIRECTORS

a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India ,State Financial corporation or any Financial Institution owned or controlled by the Central Government or State Government or any Non-Banking financial Company regulated by the Reserve Bank of India or any such company from whom company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforesaid companies or Financial institutions holds or continues to hold debentures/ shares in the company as a result of underwriting or by direct subscription or private placement or so long as any liability of the company arising out of any guarantee furnished on behalf of the company remains outstanding and if the loan or other agreement with such institution/corporation/company (hereinafter referred to as the **"corporation"**) so provides, the corporation may in pursuance of the provisions of any law for the time being in force or of any agreement have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Directors is/are hereinafter referred to as "Nominee Directors") on the Board of the company and to remove from such office any person or persons so appointed and to appoint any person or persons in his/their place(s).

b) The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the meetings of the committee of which Nominee Directors is/are members as also the minutes of such meetings. The corporation should also be entitled to receive all such notices and minutes.

c) The Company may pay the Nominee Directors sitting fees and expenses to which the other Directors of the company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the company the fees, commission, monies and remuneration in relation to such Nominee Directors may accrue to the Nominee appointer and same shall accordingly be paid by the company directly to the Corporation.

d) Provided that the sitting fees, in relation to such Nominee Directors shall also accrue to the appointer and same shall accordingly be paid by the company directly to the appointer.

130. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

131. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

a) The Board may from time to time and with such sanction of the central government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

b) The Directors may from time to time resolve that there shall be either one or more managing directors and/or whole-time directors.

c) In the event of any vacancy arising in the office of a managing director and/or whole-time directors, vacancy shall be filled by the Board of Directors subject to the approval of the members.

d) If a managing director and/or whole-time director ceases to hold office as Director, he shall ipso facto and immediately cease to be managing director/whole time director.

e) If the managing director and/or whole-time director shall be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

132. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE – TIME DIRECTOR

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Subject also to the other applicable provisions, if any, of the Act, the Company shall not appoint or employ, or continue the appointment or employment of, a Person as its managing or whole-time director who :-

a) is below the age of twenty-one years or has attained the age of seventy years

b) is an undischarged insolvent, or has any time been adjudged an insolvent;

c) suspends, or has at any time suspended, payment to his creditors, or makes or has, at any time, made, a composition with them; or

d) is or has, at any time, been convicted by a Court and sentenced for a period of more than six months

133. REIMBURSEMENT OF EXPENSES

The managing director/whole time director shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

134. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act –

a) 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.

b) A director may be appointed as chief executive officer, manager, company secretary and chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

c) A provision of the Act or the Articles requiring or authorizing a thing to be done by or to a Director and chief executive officer, manager, company secretary and chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary and chief financial officer

COMMON SEAL

135. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

136. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used expect by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of atleast one Director or company secretary, if any, or such other person duly authorized by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may 375xercisee the power conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

137. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The company in general meeting may declare dividends to be paid to the Members according to their respective rights, but no dividend shall exceed the amount recommended by the Board. The Company may, in general meeting, declare a smaller dividend, than was recommended by the Board.

138. INTERIM DIVIDENDS

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 and as appear to it to be justified by the profits of the company.

139. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

a) Where capital is paid in advance of calls, such capital, while carrying interest, shall not confer a right to dividend or to participate in the profits.

b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called " Unpaid Dividend Account of [●]"

c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven(7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act.

d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law.

e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

140. DIVISION OF PROFITS

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

141. DIVIDENDS TO BE APPORTIONED

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.

142. RESERVE FUNDS

a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve

143. DEDUCTION OF ARREARS

Subject to the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares while any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the company.

144. RETENTION OF DIVIDENDS

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 57 to 70 herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

145. RECEIPT OF JOINT HOLDER

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.

146. DIVIDEND HOW REMITTED

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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

147. DIVIDENDS NOT TO BEAR INTEREST

No dividend shall bear interest against the company.

148. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

149. CAPITALISATION OF PROFITS

a) The company in general meeting may, on recommendation of the Board, resolve
   (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and
   (ii) that such sum be accordingly set free for distribution in the manner specified in Sub - clause (b) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.

b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in sub - clause (c) of Article 51 below, either in or towards -

(i) paying up any amounts for the time being unpaid on shares held by such members respectively;

(ii) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);

(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

(v) The Board shall give effect to the resolution passed by the company in pursuance of these Articles.

150. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

a) Whenever such a resolution as aforesaid shall have been passed, the Board shall –

i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

ii. generally do all acts and things required to give effect thereto.

b) The Board shall have full power :

i. 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 or debentures becoming distributable in fractions; and

ii. to authorize 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 capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

c) Any agreement made under such authority shall be effective and binding on such members.

ACCOUNTS

151. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

152. INSPECTION BY DIRECTORS

The books of accounts 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

153. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorized by the Board.

SERVICE OF DOCUMENTS AND NOTICE

154. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

A document or notice may be served or given by the Company on any member either personally or by sending it, by post or by such other means such as fax, e-mail, if permitted under the Act, to him at his registered address or, if he has no registered address in India, to the address, if any, in India, supplied by him to the Company for serving documents or notices on him.

155. **SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

156. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assigned of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

157. PERSONS ENTITLED TO NOTICE TO GENERAL MEETINGS

Subject to the provisions of the Act and those Articles, notice of General Meeting shall be given:

a) To the members of the Company as provided by these Articles.
b) To the persons entitled to a share in consequence of the death or insolvency of a Member
c) To the Directors of the Company
d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

158. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the office is situated.

159. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the Managing Director or by such Director or Secretary (if any) or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

160. Subject to the applicable provisions of the Act -

a) 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.

b) 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.

c) 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.

d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

161. **APPLICATION OF ASSETS**

Subject to the provisions of the Act as to be preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

162. DIRECTOR'S AND OTHER'S RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and officer of the Company shall be indemnified by the Company 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 acquired or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or had faith acts or omissions of such Director.

163. INSURANCE

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.

SECRECY CLAUSE

164. **SECRECY**

No member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the members of the Company to communicate to the public.

GENERAL POWER

165. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority

or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Articles in that behalf herein provided.

166. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the applicable Regulations framed by Securities and Exchange Board of India ("**SEBI Regulations**") including Securities and Exchange Board of India (Listing Obligations and Disclosure requirement) Regulations, 2015, as amended (**the "Listing Regulations"**), the provisions of the applicable SEBI Regulations or Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the applicable SEBI Regulations or Listing Regulations, from time to time.

The Company shall not, at any time, vary the terms of a prospectus or objects for which the prospectus was issued by the Company, except subject to the approval of, or except subject to an authority given by the Company in general meeting by way of special resolution, and in accordance with the provisions of the Companies Act, 2013. Provided that the dissenting Shareholders, being the Shareholders who have not agreed to the proposal to vary the terms of the contracts or the objects referred to in the prospectus, shall be given an exit offer by the promoters or controlling shareholders of the company, at the fair market value of the equity shares as on the date of the resolution of the Board of Directors recommending such variation in the terms of the objects referred to in the prospectus, in accordance with such terms and conditions as may be specified on this behalf by the Securities and Exchange Board of India.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Issue Closing Date.

A. Material Contracts

1. Issue Agreement dated September 20, 2024 entered into between our Company and the Book Running Lead Manager.

2. Registrar agreement dated September 20, 2024 entered into between our Company, and the Registrar to the Issue.

3. Tripartite Agreement dated July 1, 2024 between CDSL, our Company and the Registrar to the Issue.

4. Tripartite Agreement dated May 21, 2024 between NSDL, our Company and the Registrar to the Issue.

5. Escrow Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Refund Bank(s) and the Registrar to the Issue.

6. Syndicate Agreement dated of [●] between our Company, the Book Running Lead Manager, the Syndicate Members and Registrar to the Issue.

7. Monitoring Agency Agreement dated [●] entered into between the Company and the Monitoring Agency.

8. Underwriting Agreement dated of [●] between our Company, the Book Running Lead Manager and the Underwriters.

B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Certificate of incorporation dated November 19, 2013.

d. Fresh certificate of incorporation dated May 27, 2015 issued to our Company by the Registrar of Companies, Ahmedabad, pursuant to the name change of our Company from '*Anlon Venture Private Limited'* to *'Anlon Healthcare Private Limited'*.

3. Fresh certificate of incorporation dated September 2, 2024, pursuant to conversion from private limited company into public limited company.

4. Resolution of the Board of Directors dated August 26, 2024 authorising the Issue and other related matters.

5. Shareholders' Resolution passed at the Annual General Meeting of the Company held on September 21, 2024, authorising the Issue and other related matters.

6. Resolution of the Board dated February 20, 2025 approving this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges.

7. Copies of annual reports of our Company for the last three Fiscals, i.e., 2024, 2023 and 2022.

8. Statement of Tax Benefits dated February 17, 2025 issued by our Statutory Auditors included in this Draft Red Herring Prospectus.

9. Certificate dated February 17, 2025, from Kaushal Dave & Associates, Statutory Auditors verifying the Key Performance Indicators (KPIs).

10. Consents of our Directors, Chief Financial Officer, Company Secretary and Compliance Officer, BRLM, Legal Counsel to the Issue, Statutory Auditor and Peer Reviewed Auditor, Independent Chartered Engineer, Registrar to the Issue, Bankers to the Issue, Bankers to our Company, Underwriters and Syndicate Members as referred to in their specific capacities.

11. Consent of the Statutory Auditors dated February 17, 2025 to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an "expert" as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated February 17, 2025 on examination of our Restated Financial Statements and the statement of possible special tax benefits dated February 17, 2025 in the form and context in which it appears in this Draft Red Herring Prospectus.

12. Certificate dated February 17, 2025 from Kaushal Dave & Associates, Chartered Accountants, to include details regarding working capital requirements of the Company.

13. Certificate dated February 19, 2025 from P. P. Bhadresa & Associates, Independent Chartered Engineer in respect of details in relation to capacity and capacity utilization of manufacturing unit of our Company and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

14. Due diligence Certificate dated February 20, 2025 addressed to SEBI issued by the BRLM.

15. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.

16. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by 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 rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY MANAGING DIRECTOR OF OUR COMPANY

Sd/

Punitkumar R. Rasadia
Managing Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY WHOLE- TIME DIRECTOR OF OUR COMPANY

Sd/

Meet Atulkumar Vachhani
Whole-Time Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/

Shailesh Kantilal Thakkar
Independent Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/

Krishna Murty Kannepalli
Independent Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/

Anandbhai Natwerlal Katkoria
Independent Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/

Mamata Punitkumar Rasadia
Non-Executive Director

Date: February 20, 2025
Place: Rajkot

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by 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 Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY DIRECTOR OF OUR COMPANY

Sd/

Hitesh Bavanjibhai Makwana
Chief Financial Officer

Date: February 20, 2025
Place: Rajkot