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RED HERRING PROSPECTUS
Dated December 14, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

INNOVA CAPTAB LIMITED

CORPORATE IDENTITY NUMBER: U24246MH2005PLC150371

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India **Telephone:** +91 22 2564 2095	Second Floor, SCO No. 301 Sector 9, Panchkula Haryana 134 109, India	**Neeharika Shukla** *Company Secretary and Compliance Officer*	**Email:** investors@innovacaptab.com **Telephone:** +91 172 4194500	www.innovacaptab.com

NAMES OF THE PROMOTERS OF OUR COMPANY: MANOJ KUMAR LOHARIWALA AND VINAY KUMAR LOHARIWALA

DETAILS OF THE OFFER

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY – 6(1) / 6(2) & SHARE RESERVATION AMONG QIB, NIB & RIB
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹3,200.00 million	Up to 5,580,357 Equity Shares aggregating up to ₹[●] million	Up to [●] Equity Shares aggregating up to ₹[●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details of share reservation among QIBs, NIIs and RIBs, see "*Offer Structure*" on page 462.

DETAILS OF THE OFFER FOR SALE BY THE PROMOTER / OTHER SELLING SHAREHOLDER

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
MANOJ KUMAR LOHARIWALA	PROMOTER	Up to 1,953,125 Equity Shares aggregating up to ₹[●] million	2.36
VINAY KUMAR LOHARIWALA	PROMOTER	Up to 1,953,125 Equity Shares aggregating up to ₹[●] million	15.20
GIAN PARKASH AGGARWAL	OTHER	Up to 1,674,107 Equity Shares aggregating up to ₹[●] million	2.50

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Offer Price determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, 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 Offer Price*" on page 116, 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 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 Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 33.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms the statements made or confirmed by such Selling Shareholder in this Red Herring Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", and together with NSE, the "**Stock Exchanges**"). For the purposes of the Offer, NSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

NAME OF BRLM AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE
ICICI Securities Limited	Ashik Joisar / Harsh Thakkar	**Email:** innova.ipo@icicisecurities.com **Telephone:** + 91 22 6807 7100
JM Financial Limited	Prachee Dhuri	**Email:** innova.ipo@jmfl.com **Telephone:** + 91 22 6630 3030

REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
KFin Technologies Limited	M Murali Krishna	**Email:** innovacaptab.ipo@kfintech.com

		Telephone: +91 40 6716 2222

BID/OFFER PROGRAMME					
ANCHOR INVESTOR BIDDING DATE	Wednesday, December 20, 2023**	**BID/OFFER OPENS ON**	Thursday, December 21, 2023	**BID/OFFER CLOSES ON**	Tuesday, December 26, 2023[#]

* *As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.*

** *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.*

[#] *UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.*

RED HERRING PROSPECTUS
Dated December 14, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

INNOVA CAPTAB LIMITED

Our Company was incorporated in Mumbai, Maharashtra, as 'Harun Health Care Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 3, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on December 26, 2009, the name of our Company was changed from 'Harun Health Care Private Limited' to 'Innova Captab Private Limited', and consequently, a fresh certificate of incorporation dated February 2, 2010, was issued by the RoC to our Company. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on July 12, 2018, and consequently, the name of our Company was changed to our present name, 'Innova Captab Limited', and a fresh certificate of incorporation dated July 26, 2018, was issued by the RoC to our Company. For details of changes in the name and the registered office address of our Company, see '*History and Certain Corporate Matters*' on page 220.

Corporate Identity Number: U24246MH2005PLC150371; **Website:** www.innovacaptab.com
Registered Office: 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India; **Telephone:** 91 22 2564 2095
Corporate Office: Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India
Contact Person: Neeharika Shukla, Company Secretary and Compliance Officer; **Telephone:** +91 172 4194500; **Email:** investors@innovacaptab.com

THE PROMOTERS OF OUR COMPANY ARE MANOJ KUMAR LOHARIWALA AND VINAY KUMAR LOHARIWALA

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹3,200.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 5,580,357 EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹[●] MILLION, COMPRISING OF UP TO 1,953,125 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY MANOJ KUMAR LOHARIWALA, UP TO 1,953,125 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY VINAY KUMAR LOHARIWALA (TOGETHER WITH MANOJ KUMAR LOHARIWALA, THE "PROMOTER SELLING SHAREHOLDERS") AND UP TO 1,674,107 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY GIAN PARKASH AGGARWAL (THE "OTHER SELLING SHAREHOLDER", AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS", AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, HAS UNDERTAKEN THE PRE-IPO PLACEMENTS OF (I) 1,412,430 CUMULATIVE COMPULSORILY CONVERTIBLE PREFERENCE SHARES ("CCPS") AT A PRICE OF ₹354.00 PER CCPS (INCLUDING A PREMIUM OF ₹344.00) AGGREGATING TO ₹500.00 MILLION, AND (II) 669,642 EQUITY SHARES AT A PRICE OF ₹448.00 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹438.00) AGGREGATING TO ₹300.00 MILLION (TOGETHER, THE "PRE-IPO PLACEMENT"). SUCH 1,412,430 CCPS HAVE BEEN CONVERTED INTO 1,412,430 EQUITY SHARES IN THE RATIO OF ONE EQUITY SHARE FOR EVERY CCPS HELD. THE SIZE OF THE FRESH ISSUE OF UP TO ₹4,000.00 MILLION AS DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS HAS, IN THE AGGREGATE, BEEN REDUCED BY ₹800.00 MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND, ACCORDINGLY, THE REVISED SIZE OF THE FRESH ISSUE IS UP TO ₹3,200.00 MILLION.

THE FACE VALUE OF THE EQUITY SHARE IS ₹10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND THE MUMBAI EDITION OF NAVSHAKTI (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer 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 respective websites of the BRLMs and at the terminals of the Syndicate Member and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"), provided that our Company and the Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders (out of which one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-third shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category) and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), as applicable, pursuant to which their corresponding Bid Amounts 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 respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "*Offer Procedure*" on page 467.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue by 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 Offer Price, Floor Price or the Price Band as determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, 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 Offer Price*" on page 116, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 33.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the Selling Shareholders severally, and not jointly, accepts responsibility for and confirms the statements made or confirmed by such Selling Shareholder in this Red Herring Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 16, 2022, and September 15, 2022, respectively. For the purposes of the Offer, NSE is the Designated Stock Exchange. A copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 529.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Maharashtra, India **Telephone:** + 91 22 6807 7100 **Email:** innova.ipo@icicisecurities.com **Investor grievance e-mail**: customercare@icicisecurities.com **Website:** www.icicisecurities.com **Contact Person**: Ashik Joisar / Harsh Thakkar **SEBI Registration No.**: INM000011179	**JM Financial Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India **Telephone:** + 91 22 6630 3030 **Email:** innova.ipo@jmfl.com **Investor grievance email**: grievance.ibd@jmfl.com **Website**: www.jmfl.com **Contact Person**: Prachee Dhuri **SEBI Registration No**: INM000010361	**KFin Technologies Limited** Selenium, Tower B, Plot No – 31 and 32, Financial District Nanakramguda, Serilingampally Hyderabad, Rangareddi 500 032 Telangana, India **Telephone:** + 91 40 6716 2222 **Email**: innovacaptab.ipo@kfintech.com **Investor grievance e-mail**: einward.ris@kfintech.com **Website**: www.kfintech.com **Contact person**: M Murali Krishna **SEBI Registration No**: INR000000221

BID/OFFER PROGRAMME

ANCHOR INSTOR BIDDING DATE	Wednesday, December 20, 2023*	**BID/OFFER OPENS ON**	Thursday, December 21, 2023*	**BID/OFFER CLOSES ON**	Tuesday, December 26, 2023#

* *Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations.*
\# *UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.*

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, circular, notification, direction, clarification or policy shall be to such legislation, act, regulation, rule guidelines, circular, notification, direction, clarification or policy 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 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. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Notwithstanding the foregoing, terms in "Basis for the Offer Price", "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Restated Consolidated Financial Information", "Pro Forma Condensed Consolidated Financial Information", "Outstanding Litigation and Other Material Developments", and "Main Provisions of the Articles of Association" on pages 116, 123, 129, 214, 260, 331, 424 and 489, respectively, will have the meaning ascribed to such terms in those respective sections.

General terms

Term	Description
our Company / the Company / the Issuer	Innova Captab Limited, a public limited company incorporated under the Companies Act, 1956, and having its Registered Office at 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India and its Corporate Office at Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India
we / us / our	Unless the context otherwise indicates or implies, our Company together with our Subsidiaries on a consolidated basis, as applicable on the respective dates

Company-related terms

Term	Description
AoA / Articles of Association / Articles	The articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 238
Auditors / Statutory Auditors	The statutory auditors of our Company, currently being B S R & Co. LLP, Chartered Accountants.
Board / Board of Directors	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof
CCPS	Cumulative compulsorily convertible preference shares
Chairman	The chairman of the Board of Directors, described in *"Our Management"* on page 230
Chartered Engineer	Parashar & Co.
Chief Financial Officer / CFO	Chief financial officer of our Company, namely Gaurav Srivastava. For details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 247
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, namely Neeharika Shukla. For details, see "*Our Management – Key Managerial Personnel and Senior Management*" on page 247
Corporate Social Responsibility Committee	The corporate social responsibility committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 238
Corporate Office	The corporate office of our Company, situated at Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India
CRISIL MI&A	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
CRISIL Report	The report titled '*Assessment of Indian pharmaceutical and CDMO market'*, dated October 2023, commissioned by our Company and issued by CRISIL MI&A, available on the website of our Company at www.innovacaptab.com/investor-relations
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹10 each
Executive Director(s)	Executive director(s) of our Company
Group Companies	Our group companies, as disclosed in the section "*Group Companies"* on page 256

Term	Description
Innova Partnership	Innova Captab, the partnership firm whose assets and liabilities have been acquired by our Company with effect from March 31, 2021. For further details, see *"History and Certain Corporate Matters – Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on page 225
IPO Committee	IPO committee of the Board of Directors, comprising Vinay Kumar Lohariwala, Manoj Kumar Lohariwala and Jayant Vasudeo Rao
Jammu Facility	New manufacturing facility to be constructed by the Company in Jammu
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 247
Managing Director	The managing director of our Company, as described in *"Our Management"* on page 230
Material Subsidiaries	The material subsidiaries of our Company, namely Univentis Medicare Limited and Sharon Bio-Medicine Limited
Materiality Policy	The policy adopted by our Board on June 19, 2022, for identification of material (a) outstanding litigation proceedings of our Company, our Subsidiaries, our Promoters and our Directors; (b) group companies; and (c) creditors, pursuant to the disclosure requirements under the SEBI ICDR Regulations
MoA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
Non-Executive Director(s)	Non-executive and non-independent director(s) of our Company
Non-Executive Independent Director(s)	Non-executive and independent director(s) of our Company
Nomination and Remuneration Committee	The nomination and remuneration committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 238
Other Selling Shareholder	Gian Parkash Aggarwal
Pro Forma Condensed Consolidated Financial Information	The pro forma condensed consolidated financial information for illustrative purposes presented in "*Pro Forma Condensed Consolidated Financial Information*" on page 331, prepared to demonstrate the effects of the acquisition of Sharon Bio-Medicine Limited, comprising the pro forma condensed consolidated statement of profit and loss, which has been prepared as if the acquisition occurred immediately before the start of the financial year ended March 31, 2023, and the pro forma condensed consolidated balance sheet which has been prepared as if the acquisition occurred as at March 31, 2023. The Statutory Auditors have, by their consent letter dated December 14, 2023, consented to inclusion of their report, dated September 9, 2023, on Pro Forma Condensed Consolidated Financial Information, in this Red Herring Prospectus and the Prospectus
Promoter(s) / Promoter Selling Shareholder(s)	The Promoters of our Company, namely Manoj Kumar Lohariwala and Vinay Kumar Lohariwala
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 252
Registered Office	The registered office of our Company, situated at 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India
Restated Consolidated Financial Information	The restated consolidated financial information of our Company, as at and for the three months ended June 30, 2023, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, comprising the restated consolidated statement of assets and liabilities as at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, and restated consolidated statement of cash flows for the three months ended June 30, 2023, and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together, with the Basis of Preparation and Material Accounting Policies and other explanatory information, compiled from the consolidated Ind AS financial statements of our Company and its Subsidiaries as at and for the financial years ended March 31, 2023 and March 31, 2022, the Ind AS financial statements of the Company as at and for the financial year ended March 31, 2021, and the interim consolidated Ind AS financial statements of the Company and its Subsidiaries, as applicable, as at and for the three months ended June 30, 2023, prepared in accordance with Ind AS and other accounting principles generally accepted in India, restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended
Risk Management Committee	The risk management committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 238

Term	Description
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Selling Shareholder(s)	Collectively, the Promoter Selling Shareholders and the Other Selling Shareholder
Senior Management	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management – Key Managerial Personnel and Senior Management*" on page 247
Shareholders	The holders of the Equity Shares from time to time
Sharon	Sharon Bio-Medicine Limited
Stakeholders' Relationship Committee	The stakeholders' relationship committee of the Board of Directors, described in "*Our Management – Corporate Governance*" on page 238
Subsidiaries	The subsidiaries of our Company, namely Univentis Medicare Limited, the Univentis Foundation and Sharon Bio-Medicine Limited
UML	Univentis Medicare Limited
Unit 1	Our manufacturing unit located at 81-A and 81-B EPIP, Phase-1, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh
Unit 2	Our manufacturing unit located at 1281/1, Hilltop Industrial Estate, Phase-I, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh
Unit 2-C	Block C of Unit 2
Unit 2-G	Block G of Unit 2
Whole-time Director	A whole-time director of our Company

Offer-related terms

Term	Description
Abridged Prospectus	The memorandum containing such salient features of a prospectus as may be specified by the SEBI in this regard
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 / Allotment / Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders, as the case may be
Allotment Advice	A 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(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus, and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs 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 this Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The date, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism

Term	Description
ASBA Account	A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the UPI Bidders blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder
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 this Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Account Bank(s), Sponsor Bank(s) and Public Offer Account Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 467
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations, in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Bidders Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer 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 December 26, 2023, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located). In case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites of the BRLMs and terminals of the Syndicate Member, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank(s), and shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
Bid / Offer 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 December 21, 2023, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located)
Bid / Offer Period	Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in accordance with the terms of this Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company and the Selling Shareholders, may, in consultation with the BRLMs, consider closing the Bid / Offer Period for the QIB Category one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs

Term	Description
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely ICICI Securities Limited and JM Financial Limited
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price.
Cash Escrow and Sponsor Bank Agreement	Agreement dated December 12, 2022 entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer for, among other things, the appointment of the Sponsor Bank(s), the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI, and as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	Offer Price, finalised by our Company and the Selling Shareholders, in consultation with the BRLMs, 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, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. 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 respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) as updated from time to time
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of this Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange in terms of this Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs (not using the UPI Mechanism) by authorising 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 / agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.

Term	Description
	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 websites 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, a list of which is available on the website of SEBI at http://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	NSE
Draft Red Herring Prospectus / DRHP	The draft red herring prospectus dated June 28, 2022, read with the addendum to the draft red herring prospectus dated September 12, 2023, 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 Offer
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being ICICI Bank Limited and HDFC Bank Limited
First 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(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue component of the Offer comprising of an issuance by our Company of up to [●] Equity Shares at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹3,200.00 million. Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million
General Information Document / GID	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 BRLMs
Gross Proceeds	The Offer proceeds from the Fresh Issue
I-Sec	ICICI Securities Limited
JM Financial	JM Financial Limited
Mobile App(s)	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 UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	The agreement dated December 6, 2023 entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see "*Objects of the Offer*" on page 103
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be

Term	Description
	reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹[●] each, aggregating up to ₹[●] million comprising the Fresh Issue and the Offer for Sale. Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million
Offer Agreement	The agreement dated June 28, 2022, amongst our Company, the Selling Shareholders and the BRLMs, pursuant to the requirements of the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer, as amended by the amendment agreement dated September 12, 2023, and the amendment agreement dated December 13, 2023
Offer for Sale	The offer for sale component of the Offer of up to 5,580,357 Equity Shares aggregating up to ₹[●] million, comprising of an offer for sale of up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Manoj Kumar Lohariwala, up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Vinay Kumar Lohariwala and up to 1,674,107 Equity Shares aggregating up to ₹[●] million by Gian Parkash Aggarwal
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders, in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of this Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of this Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 103
Offered Shares	Up to 5,580,357 Equity Shares aggregating up to ₹[●] million being offered by the Selling Shareholders as part of the Offer for Sale, comprising up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Manoj Kumar Lohariwala, up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Vinay Kumar Lohariwala and up to 1,674,107 Equity Shares aggregating up to ₹[●] million by Gian Parkash Aggarwal
Pre-IPO Placement	Private placements of (i) 1,412,430 CCPS allotted to UTI Multi Opportunities Fund I at a price of ₹354.00 per CCPS (including a premium of ₹344.00) aggregating to ₹500.00 million. The CCPS have been converted into 1,412,430 Equity Shares; and (ii) 669,642 Equity Shares with 334,821 Equity Shares allotted each to 360 One Special Opportunities Fund - Series 9 and 360 One Special Opportunities Fund - Series 10 at a price of ₹448.00 per Equity Share (including a premium of ₹438.00) aggregating to ₹300.00 million. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million
Price Band	Price band ranging from a minimum price of ₹[●] per Equity Share (Floor Price) to the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and will be advertised in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and the Mumbai edition of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company and the Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price

Term	Description
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 18 months from the date of Allotment
Prospectus	The prospectus dated [●] to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined in accordance with the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being ICICI Bank Limited
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Bidders	QIBs who Bid in the Offer
QIB Bid/Offer Closing Date	In the event that our Company and the Selling Shareholders, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date. Otherwise, it shall be the same as the Bid/Offer Closing Date
QIB Category / QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and the Selling Shareholders in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
Red Herring Prospectus / RHP	This red herring prospectus dated December 14, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. This Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account(s) opened with the Refund Account Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Account Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being ICICI Bank Limited
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated June 20, 2022, read with the amendment dated December 8, 2023, amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / 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, issued by SEBI and in terms of the UPI Circulars
Registrar to the Offer / Registrar	KFin Technologies Limited
Retail Individual Bidder(s) / RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of up to [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date

Term	Description
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web based complaints redressal system launched by SEBI
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than 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?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (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?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Share Escrow Agent	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely KFin Technologies Limited
Share Escrow Agreement	Agreement dated December 7, 2023, read with the amendment dated December 13, 2023 entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank(s)	The Banker(s) to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being ICICI Bank Limited and HDFC Bank Limited
Stock Exchanges	Collectively, BSE and NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Member, to collect ASBA Forms and Revision Forms
Syndicate	Together, the BRLMs and the Syndicate Member
Syndicate Agreement	Agreement dated December 13, 2023 entered into amongst our Company, the Selling Shareholders, the BRLMs, the Syndicate Member and the Registrar in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Member	Intermediary (other than the BRLMs) registered with SEBI who is permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely JM Financial Services Limited
Systemically Important Non-Banking Financial Company / NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface, which is an instant payment mechanism developed by NPCI
UPI Bidder	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s)

Term	Description
	submitted with Syndicate Member, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. 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 ₹500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular number 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 with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI Mobile App and by way of a SMS directing the UPI Bidder to such UPI Mobile App) to the RIB initiated by the Sponsor Bank(s) to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The mechanism that may be used by a UPI Bidder to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter or a Fraudulent Borrower	A company or person, as the case may be, categorised as a wilful defaulter or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, the expression "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in Mumbai, India, as per the circulars issued by SEBI

Conventional and general terms and abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
Bn	Billion
BSE	BSE Limited
CAGR	Compound Annual Growth Rate, which is computed by dividing the value as at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result ((End Value / Start Value) ^ (1 / Periods) - 1)
CCI	Competition Commission of India
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations

Term	Description
Category II AIF	AIFs who are registered as "Category II 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 III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CIRP	Corporate Insolvency Resolution Process
Companies Act, 1956	The erstwhile Companies Act, 1956, along with the relevant rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Competition Act	Competition Act, 2002
Consolidated FDI Policy	The consolidated foreign direct policy bearing DPITT file number 5(2)/2020-FDI Policy dated October 15, 2020, and effective from October 15, 2020, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP Bill	Data Protection Bill, 2021
DP ID	Depository Participant's identity number
DPIIT	The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion)
EGM	Extraordinary general meeting
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
Euro	Euro, the official currency of the European Union
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 regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal / Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General anti-avoidance rules
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFSC	Indian Financial System Code
IGST	Integrated Goods and Services Tax
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013

Term	Description
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended and the Companies (Accounts) Rules, 2014, as amended
INR / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
IT Act	The Income Tax Act, 1961
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MCLR	Marginal Cost of Funds Based Landing Rate
Mn	Million
MoU	Memorandum of Understanding
MSMEs	Small scale undertakings as per the Micro, Small and Medium Enterprises Development Act, 2006
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas corporate body, a company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (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
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
STT	Securities Transaction Tax
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
USA / U.S. / US	United States of America and its territories and possessions, including any state of the United States, and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and

Term	Description
	Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

Business, technical and industry-related terms

Term	Description
ANDS	Abbreviated new drug submission
APIs	Active pharmaceutical ingredients
Branded generic products	Generic medicines and drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies
CDMO	Contract development and manufacturing organization
DCGI	Drugs Controller General of India
Debt-Equity Ratio	Debt-Equity Ratio, a non – GAAP measure, is calculated by dividing total borrowings by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings
DDT	Dividend distribution tax
DPCO	Drug Price Control Order
DSIR	Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India
EBITDA	Earnings before interest, taxes, depreciation, and amortization, a non – GAAP measure, is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense
EBITDA Margin	EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations
ERP	Enterprise resource planning
EU-GMP	Good manufacturing practices for medicines intended for the European Union market
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year, other intangible assets as at the end of the year and capital work in progress as at the end of the year
FDA	Food and drug administration
GLP	Good laboratory practices
GMP	Good manufacturing practices
HPLC	High pressure liquid chromatography
IT	Information technology
JPC	Joint Parliamentary Committee
Moody’s	Moody's Investors Service
NLEM	National List of Essential Medicines
NPPA	National Pharmaceutical Pricing Authority
PAT Margin	PAT Margin, a non – GAAP measure, is calculated as profit for the period / year divided by revenue from operations
Profit for the period / year	Profit for the period / year is restated profit / (loss) for the period / year as appearing in the Restated Consolidated Financial Information
Schedule M	Schedule M of the Drugs and Cosmetic Rules, 1945
US FDA	United States Food and Drug Administration
Return On Capital Employed	Return On Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the period / year
Return On Equity	Return On Equity, a non – GAAP measure, is calculated as profit for the period / year divided by total equity
Return on Net Worth	Return on Net Worth is calculated as profit for the period/year divided by Net Worth as at the end of the period/year
Revenue from Operations	Revenue from Operations means the revenue from operations as appearing in the Restated Consolidated Financial Information
R&D	Research and development
“R&D Sanctuary” or “SA-Ford”	A sanctuary for research and development at SA-Ford
WHO	World Health Organization
WHO GMP	World Health Organization good manufacturing practices

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

Certain conventions

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

All references herein to the "US", the "U.S.", the "USA", or the "United States" are to the United States of America and its territories and possessions, including any state of the United States, and the District of Columbia.

Page Numbers

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

Financial data

Unless stated otherwise or the context otherwise requires, the financial information in this Red Herring Prospectus is derived from the Restated Consolidated Financial Information.

The Restated Consolidated Financial Information comprises the restated consolidated statement of assets and liabilities as at June 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, restated consolidated statement of profit and loss, and restated consolidated statement of cash flows and restated consolidated statement of changes in equity for the three months ended June 30, 2023, and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together, with the Basis of Preparation and Material Accounting Policies and other explanatory information, compiled from the consolidated Ind AS financial statements of our Company and its Subsidiaries as at and for the financial years ended March 31, 2023 and March 31, 2022, the Ind AS financial statements of the Company as at and for the financial year ended March 31, 2021, and the interim consolidated Ind AS financial statements of the Company and its Subsidiaries, as applicable, as at and for the three months ended June 30, 2023, prepared in accordance with Ind AS and other accounting principles generally accepted in India, restated by our Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended.

For further information on our Company's financial information, please see "*Financial Information*" on page 260.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such 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.

Our Company's financial year commences on April 1 and ends on March 31 of the next calendar year. Accordingly, all references in this Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act 2013, the SEBI ICDR Regulations and Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS, please see *"Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information and Pro Forma Condensed*

Consolidated Financial Information prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus." on page 67.

Pro Forma Condensed Consolidated Financial Information

Innova Captab Limited acquired assets and liabilities of the Innova Partnership effective as of March 31, 2021 and acquired Univentis Medicare Limited ("**UML**") effective as of December 31, 2021. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for Fiscal 2021. Our Restated Consolidated Financial Information does not include financial information of Innova Partnership and UML prior to their acquisition by Innova Captab Limited or of Univentis Foundation prior to it becoming a Subsidiary of our Company.

We acquired Sharon Bio-Medicine Limited ("**Sharon**"), a listed entity pursuant to the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023 (the "**Sharon Transaction**"). The Restated Consolidated Financial Information does not include the financial information of Sharon prior to its acquisition by UML. For further information, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*" on page 19. Accordingly, the Restated Consolidated Financial Information as of, and for the years ended, March 31, 2021, 2022 and 2023, and as of, and for the three months ended, June 30, 2023, does not fully reflect our Company and Sharon on a total basis save for the restated consolidated balance sheet as at June 30, 2023.

The Statutory Auditors have, by their consent letter dated December 14, 2023, consented to inclusion of their report, dated September 9, 2023, on Pro Forma Condensed Consolidated Financial Information, in this Red Herring Prospectus and the Prospectus.

Investors are therefore cautioned that the Restated Consolidated Financial Information are not comparable on a period-to-period basis and will not be comparable for any future financial statements that we may prepare.

For the purpose of understanding the combined businesses of our Company (on a consolidated basis, as applicable), and Sharon, we have prepared the Pro Forma Condensed Consolidated Financial Information and as of, and for year ended March 31, 2023. The Pro Forma Condensed Consolidated Statement of Profit and Loss was prepared as if the Sharon Transaction occurred immediately before the start of Fiscal 2023, and the Pro Forma Condensed Consolidated Balance Sheet was prepared as if the Sharon Transaction occurred as at April 1, 2022. Because of its nature, the Pro Forma Condensed Consolidated Financial Information addresses a hypothetical situation and has not been prepared in accordance with generally accepted accounting principles including accounting standard, therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the results of operations and the financial position that would have resulted had the transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

In addition, the pro forma adjustments made in the Pro Forma Condensed Consolidated Financial Information are based upon available information and assumptions that our management believes to be reasonable. The Pro Forma Condensed Consolidated Financial Information has not been prepared in accordance with generally accepted accounting principles including accounting standards and, accordingly, should not be relied upon as if it had been carried out in accordance with those principles and standards and practices. Further, the Pro Forma Condensed Consolidated Financial Information have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India (including in the United States), and, accordingly, should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. For further details, see *"History and Certain Corporate Matters – Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on page 225. For information on the pro forma adjustments made in such Pro Forma Condensed Consolidated Financial Information, see "*Pro Forma Condensed Consolidated Financial Information*" beginning on page 331.

Other Pro Forma Financial Information

In addition to the Pro Forma Condensed Consolidated Financial Information, we present certain other financial information, operating data, key financial indicators and Non-GAAP financial measures "*on a pro forma* *consolidated basis*" which indicates that the information was prepared to give effect to the combination of our Company (on a consolidated basis, as applicable) and Sharon in the pro forma condensed consolidated statement of profit and loss as if the Sharon was acquired ("**Acquisition Transaction**") immediately before Fiscal 2023 and in the pro forma condensed consolidated balance sheet was prepared as if the Acquisition Transaction occurred as at March 31, 2023.

Because of its nature, the financial information, operating data, key financial indicators and Non-GAAP financial measures "*on a pro forma consolidated basis*" address a hypothetical situation and, therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the financial and operating information that would have resulted had the Acquisition Transaction been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

In addition, the pro forma adjustments made in the financial information, operating data, key financial indicators and Non-GAAP financial measures "*on a pro forma consolidated basis*" are based upon available information and assumptions that our management believes to be reasonable. This pro forma information and operating data has not been prepared in accordance with generally accepted accounting principles including accounting standards and, accordingly, should not be relied upon as if it had been carried out in accordance with those principles and standards and practices. Further, this pro forma information has not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India (including in the United States), and, accordingly, should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction.

Non-GAAP financial measures

Certain non-GAAP measures presented in this Red Herring Prospectus such as EBIT, EBITDA, EBITDA Margin, Net Debt, Debt-Equity Ratio, Net Debt/EBITDA Ratio, Return on Equity, PAT Margin, Capital Employed, Return on Capital Employed, Fixed Asset Turnover Ratio, Net Worth, Return on Net Worth and Net Asset Value per Equity Share are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / 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, or IFRS. In addition, 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, a comparison of similarly titled Non-GAAP Measures or statistical or other information relating to operations and financial performance between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, we compute and disclose them as our Company's management believes that they are useful information in relation to our business and financial performance. For further details, please see *"Risk Factors – We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not required by Ind AS."* on page 58.

Industry and market data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been derived from a report dated October 2023 and titled "*Assessment of Indian pharmaceutical and CDMO market*" (the "**CRISIL Report**") that has been commissioned and paid for by our Company and prepared by CRISIL MI&A exclusively for the purpose of understanding the industry our Company operates in, in connection with the Offer, and has been obtained from publicly available information, as well as various government publications and industry sources. The CRISIL Report is available on the website of our Company at www.innovacaptab.com/investor-relations, until the Bid/Offer Closing Date. CRISIL MI&A has confirmed vide its letter dated December 1, 2023, that it is an independent agency, and is not related to our Company, our Directors, our Promoters, our Key Managerial Personnel or our Senior Management.

Although we believe that the industry and market data used in this Red Herring Prospectus is reliable, and while industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, such industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect, and their accuracy, adequacy, completeness or reliability are not guaranteed and cannot be assured. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. 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 the industry and market data presented in this Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which we conduct business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – We commissioned and purchased the CRISIL Report. This Red Herring Prospectus contains information from the CRISIL Report and such information is subject to inherent risks and limitations.*" on page 65. Accordingly, no investment decisions should be made based on such information.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Offer Price*" on page 116 includes information relating to our peer group companies, which has been derived from publicly available sources.

Disclaimer of CRISIL MI&A

This Red Herring Prospectus contains data and statistics from the CRISIL Report, which is subject to the following disclaimer:

"*CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Innova Captab Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of, and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.*"

Currency and Units of Presentation

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' or **INR** are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**U.S. Dollars**' are to United States Dollars, the official currency of the United States of America.
- '**Euro**' are to Euro, the official currency of the European Union.
- '**GBP**' are to Pound Sterling, the official currency of the United Kingdom.

In this Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such number of decimal points as provided in such respective sources. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Time

All references to time in this Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Red Herring Prospectus are to a calendar year.

Exchange rates

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

The exchange rates of USD, EUR and GBP into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	**Exchange Rate as on**			
	June 30, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
1 USD	82.04	82.22	75.81	73.50
1 EUR	89.13	89.61	84.66	86.10
1 GBP	103.50	101.87	99.55	100.95

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

Notice to Prospective Investors

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 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 Offer, 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" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "project", "propose", "seek to", "will achieve", "will continue", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. These statements are based on our management's belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information. As a result, actual results could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Red Herring Prospectus and are not a guarantee of future performance.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

- Dependence on our manufacturing facilities, and risks in the manufacturing process such as breakdown or failure of equipment, industrial accidents, severe weather conditions and natural disasters;
- Dependence on a limited number of CDMO customers, and accordingly, any adverse developments or inability to enter into or maintain relationships with these CDMO customers;
- The highly competitive market in which we operate, and our competition with companies in India and other jurisdictions;
- Failure to comply with existing and future regulatory requirements in the extensively regulated pharmaceutical market;
- Risks associated with our ability to achieve expected benefits from our acquisition of Sharon;
- Dependence on our R&D activities, and inability to successfully develop new products or continue generic product portfolio expansion in a timely and cost-effective manner;
- Failure to comply with the strict technical specifications and quality requirements by our CDMO customers;
- Risks associated with rejection of supplied products, and consequential claims and associated product liability costs due to defects in our products;
- Adverse impact on pricing and supply of our products on account of a shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs; and
- Adverse effect on pricing and demand for our products, as a result of reforms in the healthcare industry and the uncertainty associated with pharmaceutical pricing.

For a further discussion of factors that could cause our actual results to differ from our estimates and expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 33, 181 and 356, respectively.

Neither our Company, nor the Selling Shareholders, nor the BRLMs, nor any Syndicate Member, 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 will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares from the date of this Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI, each of the Selling Shareholders (through our Company and the BRLMs) shall, severally and not jointly, to the extent of statements specifically made or confirmed by them in relation to themselves and their respective portion of Offered Shares in this Red Herring Prospectus, ensure that investors in India are informed of material developments.

SECTION II - SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this 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 Red Herring Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Our Business", "Industry Overview", and "Outstanding Litigation and Other Material Developments" on pages 33, 72, 92, 181, 129 and 424, respectively, of this Red Herring Prospectus.

Primary business of our Company

We are an integrated pharmaceutical company in India with a presence across the pharmaceuticals value chain including research and development, manufacturing, drug distribution and marketing and exports. Our business includes (i) a CDMO business providing research, product development and manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed. *(Source: CRISIL Report, October 2023).*

Summary of the industry in which our Company operates

The Indian CDMO market has grown at a rate of 14% in the last five years from Fiscal 2018 to Fiscal 2023, and CRISIL Research expects this trend to continue over the next five years from Fiscal 2023 to Fiscal 2028 with the Indian CDMO market projected to grow at approximately a 12-14% CAGR over the next five years from ₹1,310 billion in Fiscal 2023 to ₹2,400-2,500 billion in Fiscal 2028. *(Source: CRISIL Report, October 2023).* According to CRISIL Research, in dosage terms, oral solids dominate the Indian formulations industry with approximately 63% share in value terms and 62% in volume terms in Fiscal 2023. (*Source: CRISIL Report, October 2023).* Similarly, the injectables segment constituted 14-15% (in value terms) and approximately 14% (in volume terms) of all dosage forms catered by domestic formulations industry in Fiscal 2023. *(Source: CRISIL Report, October 2023).*

Name of Promoters

As on the date of this Red Herring Prospectus, our Promoters are Manoj Kumar Lohariwala and Vinay Kumar Lohariwala. For further details, see "*Our Promoters and Promoter Group*" on page 252.

The Offer

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" on pages 72 and 462, respectively.

Offer[(1)]	Up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹[●] million
of which	
(i) Fresh Issue[(1)^]	Up to [●] Equity Shares aggregating up to ₹3,200.00 million
(ii) Offer for Sale[(2)]	Up to 5,580,357 Equity Shares aggregating up to ₹[●] million (comprising up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Manoj Kumar Lohariwala, up to 1,953,125 Equity Shares aggregating up to ₹[●] million by Vinay Kumar Lohariwala and up to 1,674,107 Equity Shares aggregating up to ₹[●] million by Gian Parkash Aggarwal)

(1) *The Offer has been authorized by a resolution of our Board dated June 19, 2022 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated June 24, 2022.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, approved the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 445.*

^ *Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement aggregating to ₹800.00 million. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.*

The Offer shall constitute [●]% of the post Offer paid up Equity Share capital of our Company.

Objects of the Offer

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

(in ₹ million)

Objects	Amount**
Repayment and/or prepayment, in part or in full, of certain outstanding loans of our Company	1,444.00
Investment in our Subsidiary, UML, for repayment and / or prepayment in part or full of outstanding loans availed by UML	236.00
Funding our working capital requirements	720.00
General corporate purposes*	[●]
Net Proceeds*	[●]

* *To be finalised upon determination of the Offer 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.*

For further details, see "*Objects of the Offer*" on page 103.

Aggregate pre-Offer Shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, the members of our Promoter Group (other than our Promoters), and the Selling Shareholders, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
Promoter Selling Shareholders			
1.	Manoj Kumar Lohariwala	19,036,000	38.01
2.	Vinay Kumar Lohariwala	14,436,000	28.82
	Total (A)	**33,472,000**	**66.83**
Promoter Group (other than the Promoters)			
3.	Vandana Lohariwala	4,000	0.01
4.	Chhavi Lohariwala	4,000	0.01
	Total (B)	**8,000**	**0.02**
Other Selling Shareholder			
5.	Gian Parkash Aggarwal	14,512,000	28.98
	Total (C)	14,512,000	28.98
	Grand total (A+B + C)	**47,992,000**	**95.83**

Summary derived from the Restated Consolidated Financial Information

The following information has been derived from our Restated Consolidated Financial Information for the three months ended June 30, 2023, and the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021:

(₹ in million, except per share data)

Particulars	As at and for the three months ended	As at and for the Fiscal ended		
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share capital	480.00	480.00	120.00	120.00
Total equity	3,655.06	2,765.06	2,086.06	1,448.21
Revenue from operations	2,332.43	9,263.80	8,005.26	4,106.62
Profit for the period/year	175.93	679.54	639.53	345.00
Earnings per equity share (basic) (in ₹)	3.67	14.16	13.32	7.19
Earnings per equity share (diluted) (in ₹)	3.67	14.16	13.32	7.19
Net Asset Value per Equity Share (in ₹)	61.31	57.60	43.45	30.16
Current borrowings (I)	1,462.17	1,010.15	1,308.30	390.26
Non current borrowings (II)	2,956.83	1,341.77	673.52	60.00
Total Borrowings (I + II)	4,419.00	2,351.92	1,981.82	450.26

For further details, see *"Restated Consolidated Financial Information"* on page 260.

Auditor qualifications

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information.

Outstanding litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Directors and Promoters, as on the date of this Red Herring Prospectus as disclosed in "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

(₹ in million)

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (₹ in million)
Company						
By the Company	NIL	NIL	NIL	-	NIL	NIL
Against the Company	NIL	1	5	-	NIL	0.61
Directors**						
By the Directors***	2	NIL	NIL	-	1	8.86
Against the Directors	NIL	6	7	-	NIL	110.32
Promoters						
By the Promoters	1	NIL	NIL	NIL	NIL	NIL
Against the Promoters	NIL	NIL	7	NIL	NIL	NIL
Subsidiaries						
By the Subsidiaries	22	NIL	NIL	-	NIL	12.40
Against the Subsidiaries	20	35	NIL	-	NIL	1,997.54

 # Determined in accordance with the Materiality Policy.
**To the extent quantifiable.*
*** Including Directors who are Promoters of our Company.*
**** Amounts for proceedings arising from the same grounds have been combined*

Further, as on the date of this Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company. For further details, see "*Outstanding Litigation and Other Material Developments*" on page 424.

Risk factors

Specific attention of the Investors is invited to "*Risk Factors*" on page 33 to have an informed view before making an investment decision in the Offer.

Summary of contingent liabilities

As of June 30, 2023, our contingent liabilities derived from the Restated Consolidated Financial Information are as follows:

Particulars	Amount (₹ in million)
Income tax matters	0.60
Guarantee outstanding	2,450.00
Total	**2,450.60**

For further information on such contingent liabilities, see "*Restated Consolidated Financial Information – Note 47(i) – Contingent liabilities*" on page 320.

Summary of related party transactions

A summary of the related party transactions entered into by our Company in the three months ended June 30, 2023, and Fiscals 2023, 2022 and 2021 as per Ind AS 24, derived from the Restated Consolidated Financial Information is detailed below:

(₹ in million)

Nature of transaction	Name of the related party	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations (net of returns)	Univentis Medicare Limited	-	-	809.07	674.30
Revenue from operations (net of returns)	Azine Healthcare Private Limited	2.11	5.29	23.29	5.84
Revenue from operations (net of returns)	Pharmatech Healthcare	2.65	14.25	14.09	5.45
Revenue from operations (net of returns)	DMS Electronics Private Limited	-	-	-	21.82
Revenue from operations (net of returns)	Innova Captab (partnership firm)	-	-	-	81.32
Revenue from operations (net of returns)	Nugenic Pharma Private Limited	-	0.05	0.13	0.06
Sale of merchandise exports from India scheme ('MEIS') licence	Innova Captab (partnership firm)	-	-	-	4.72
Sale of asset	Nugenic Pharma Private Limited	-	-	0.49	-
Purchase of raw material and/or packing material	Univentis Medicare Limited	-	-	5.36	4.10
Purchase of raw material and/or packing material	Shubh Packaging	31.99	112.22	73.61	17.17
Purchase of raw material and/or packing material	Azine Healthcare Private Limited	0.42	0.34	-	-
Purchase of raw material and/or packing material	Innova Captab (partnership firm)	-	-	-	63.17
Purchase of raw material and/or packing material	Nugenic Pharma Private Limited	159.71	562.08	418.77	226.53
Purchase of store and spares	Nugenic Pharma Private Limited	1.21	6.23	3.35	1.36
Purchase of store and spares	Shubh Packaging	0.04	0.13	-	-
Packing charges	Shubh Packaging	-	0.13	0.03	-
Repairs and maintenance	Nugenic Pharma Private Limited	-	-	-	0.07
Loans repaid during the year	Manoj Kumar Lohariwala	-	41.07	70.05	48.64
Loans repaid during the year	Vinay Kumar Lohariwala	-	99.71	151.46	7.93
Loans repaid during the year	Gian Prakash Aggarwal	-	100.00	45.00	-
Loans received during the year	Manoj Kumar Lohariwala	-	-	154.00	20.00
Loans received during the year	Vinay Kumar Lohariwala	-	-	164.00	-
Loans received during the year	Gian Prakash Aggarwal	-	-	247.50	-
Finance costs	Manoj Kumar Lohariwala	1.47	8.02	3.15	1.62
Finance costs	Vinay Kumar Lohariwala	1.11	5.65	3.86	5.56
Finance costs	Gian Prakash Aggarwal	1.79	7.97	6.55	-
Loans given to employees	Mukesh Kumar	-	-	0.24	-
Loans given to employees	Rishi Gupta	-	5.00	-	-
Loans repaid by employees	Mukesh Kumar	-	0.14	0.14	0.11
Sitting fees	Anup Agarwal	-	-	0.03	0.12
Sitting fees	Pradosh Kumar	-	-	0.04	0.13
Sitting fees	Priyanka Dixit Sibal	0.09	0.43	-	-
Sitting fees	Sudhir Kumar Bassi	0.13	0.84	-	-

Nature of transaction	Name of the related party	For the period ended June 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sitting fees	Shirish G Belapure	0.09	0.47	-	-
Sitting fees	K Mahendar	0.13	0.28	-	-
CSR contribution	Vinay kumar Lohariwala	-	-	0.02	-
Financial guarantee charges	Manoj Kumar Lohariwala	-	0.60	-	-
Financial guarantee charges	Vinay Kumar Lohariwala	-	0.60	-	-
Financial guarantee charges	Gian Parkash Aggarwal	-	0.30	-	-
Employee benefits expenses	Vinay Kumar Lohariwala	1.20	4.80	4.80	-
Employee benefits expenses	Manoj Kumar Lohariwala	1.20	4.80	4.80	-
Employee benefits expenses	Jayant Vasudeo Rao	0.39	1.47	1.34	1.16
Employee benefits expenses	Rajveer Singh	-	-	0.19	-
Employee benefits expenses	Shikha Kanwar	-	-	0.30	0.15
Employee benefits expenses	Rishi Gupta	0.61	8.81	-	-
Employee benefits expenses	Neeharika Shukla	0.16	0.54	-	-
Employee benefits expenses	Priyanka Jangid	0.11	0.16	-	-
Employee benefits expenses	Purushottam Sharma	0.12	0.45	-	-
Employee benefits expenses	Mukesh Kumar	-	-	1.62	1.33
Employee benefits expenses	Lokesh Bhasin	0.44	-	-	-
Employee benefits expenses	Anita Khurana	-	-	-	0.14

The total amount of transactions that have been entered into with related parties for the relevant period / year as a percentage of our revenue from operations constituted 8.88%, 10.72%, 27.57% and 29.05% for the three months ended June 30, 2023, and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

For further details, see "*Restated Consolidated Financial Information – Note 42 – Related parties*" on page 311.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act, 2013) have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity, during a period of six months immediately preceding the date of the Draft Red Herring Prospectus and this Red Herring Prospectus.

Weighted average price at which specified securities were acquired by the Promoters and the Selling Shareholders in the one year preceding the date of this Red Herring Prospectus

No specified securities were acquired by either the Promoters or the Selling Shareholders in the one year preceding the date of this Red Herring Prospectus.

Weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of this Red Herring Prospectus:

Period	Weighted average cost of acquisition per Equity Share (in ₹)^$	Cap Price is 'x' times the weighted average cost of acquisition**^	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)^$
Last one year preceding the date of this Red Herring Prospectus	372.01	[●]	354.00 – 448.00
Last 18 months preceding the date of this Red Herring Prospectus	372.01	[●]	354.00 – 448.00
Last three years preceding the date of this Red Herring Prospectus	305.96	[●]	166.67 – 448.00

^ *As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.*
** *To be updated in the Prospectus, following finalisation of the Cap Price.*
$ *Excluding gifts and bonus.*

Details of price at which specified securities were acquired in the three years preceding the date of this Red

Herring Prospectus

The details of the price at which specified securities were acquired in the three years preceding the date of this Red Herring Prospectus, by our Promoters, Promoter Group, Selling Shareholders and Shareholders with the right to nominate a director or with other rights, are disclosed below:

S. No.	Name of the acquirer/shareholder	Date of acquisition of equity shares	Number of Equity Shares acquired*	Acquisition price per equity share*^(in ₹)
Promoter Selling Shareholders				
1.	Manoj Kumar Lohariwala	April 27, 2022	14,277,000	Nil#
2.	Vinay Kumar Lohariwala	January 18, 2022	1,170,000	166.67
		April 27, 2022	10,827,000	Nil#
Promoter Group				
3.	Chhavi Lohariwala	April 27, 2022	3,000	Nil#
4.	Vandana Lohariwala	April 27, 2022	3,000	Nil#
Other Selling Shareholder				
5.	Gian Parkash Aggarwal	April 27, 2022	10,884,000	Nil#
Shareholder with right to nominate a director or with other rights				
6.	UTI Multi Opportunities Fund I	December 1, 2023	1,412,430	354.00@

^As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.
** The number of equity shares acquired and the price of acquisition of the equity shares, have been adjusted for the sub-division in the face value of the equity shares of our Company from ₹100 each to ₹10 each, such that each equity share of our Company of face value ₹100 was split into 10 Equity Shares of face value of ₹10 each, pursuant to a resolution of the Shareholders dated April 4, 2022, as applicable.*
 # Acquired pursuant to a bonus issuance of Equity Shares, in the ratio of three Equity Shares for every one Equity Share held, allotted on April 27, 2022.
@ UTI Multi Opportunities Fund I was allotted 1,412,430 CCPS on July 19, 2022 which have been converted into Equity Shares in the ratio of one Equity Shares for every CCPS held, aggregating to a total of 1,412,430 Equity Shares.

Average cost of acquisition

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders as at the date of this Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹)*#
Promoter Selling Shareholders			
1.	Manoj Kumar Lohariwala	19,036,000	2.36
2.	Vinay Kumar Lohariwala	14,436,000	15.20
Other Selling Shareholder			
1.	Gian Parkash Aggarwal	14,512,000	2.50

** As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.*
 # The cost of acquisition have been adjusted for the sub-division in the face value of the equity shares of our Company from ₹100 each to ₹10 each, such that each equity share of our Company of face value ₹100 was split into 10 Equity Shares of face value of ₹10 each, pursuant to a resolution of the Shareholders dated April 4, 2022, as applicable.

For further details of the cost of acquisition of our Promoters, see "*Capital Structure – Build-up of the Promoters' shareholding in our Company*" on page 97.

Details of Pre-IPO Placement

Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement by way of:

(i) a private placement of 1,412,430 CCPS to UTI Multi Opportunities Fund I at a price of ₹354.00 per CCPS (including a premium of ₹344.00) aggregating to ₹500.00 million. The CCPS have been converted into 1,412,430 Equity Shares; and
(ii) a private placement of 669,642 Equity Shares with 334,821 Equity Shares allotted each to 360 One Special Opportunities Fund - Series 9 and 360 One Special Opportunities Fund - Series 10 at a price of ₹448.00 per Equity Share (including a premium of ₹438.00) aggregating to ₹300.00 million.

Accordingly, the size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.

Issue of Equity Shares for consideration other than cash in the last one year

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*" on page 92, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Red Herring Prospectus.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of its Equity Shares in the one year preceding the date of this Red Herring Prospectus.

Exemption from complying with any provisions of securities laws, if any, granted by the Securities and Exchange Board of India

Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking an exemption from complying with any provisions of securities laws by SEBI as on the date of this Red Herring Prospectus.

SECTION III - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

We have described the risks and uncertainties that we consider material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. 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 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 but not limited to the considerations described below and elsewhere in this Red Herring Prospectus. *For details, see "Forward-Looking Statements" on page 24.*

*Innova Captab Limited acquired assets and liabilities of Innova Captab, a partnership firm (the "**Innova Partnership**") effective as of March 31, 2021 and acquired Univentis Medicare Limited ("**UML**) effective as of December 31, 2021. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for Fiscal 2021. Our Restated Consolidated Financial Information does not include financial information of the Innova Partnership and UML prior to their acquisition by Innova Captab Limited or of the Univentis Foundation prior to it becoming a Subsidiary of our Company. Further on June 30, 2023, we acquired Sharon Bio-Medicine Limited ("**Sharon**"), pursuant to the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). Sharon is not included in our Restated Consolidated Financial Information for Fiscal 2021, Fiscal 2022 or Fiscal 2023. Accordingly, our results of operations and financial condition as set forth in the Restated Consolidated Financial Information are not comparable on a period-to-period basis.*

Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year. The financial information included in this section as of, and for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and as of, and for, the three months ended June 30, 2023, has been extracted from the Restated Consolidated Financial Information. The pro forma financial information in this section is extracted from our Pro Forma Condensed Consolidated Financial Information as of, and for the financial year ended March 31, 2023.

Internal Risks

Risks Relating to our Business

1. ***Our Restated Consolidated Financial Information are not comparable on a period-to-period basis and to any future financial results that we may prepare and further, our Pro Forma Condensed Consolidated Financial Information have not been prepared in accordance with generally accepted accounting principles including accounting standard and therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition.***

Innova Captab Limited acquired assets and liabilities of the Innova Partnership effective as of March 31, 2021 and acquired UML effective as of December 31, 2021. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for Fiscal 2021. Our Restated Consolidated Financial Information does not include financial information of the Innova Partnership and UML prior to their acquisition by Innova Captab Limited or of the Univentis Foundation prior to it becoming a Subsidiary of our Company.

We acquired Sharon on June 30, 2023, a listed entity pursuant to CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and

Sharon is now a wholly owned subsidiary of UML as of June 30, 2023 (the "**Sharon Transaction**"). The Restated Consolidated Financial Information does not include the financial information of Sharon prior to its acquisition by UML. For further information, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*" on page 19. Accordingly, the Restated Consolidated Financial Information as of, and for the years ended, March 31, 2021, 2022 and 2023, and as of, and for the three months ended, June 30, 2023, does not fully reflect our Company and Sharon on a total basis save for the restated consolidated balance sheet as at June 30, 2023.

Investors are therefore cautioned that the Restated Consolidated Financial Information are not comparable on a period-to-period basis and will not be comparable for any future financial statements that we may prepare.

For the purpose of understanding the combined businesses of our Company (on a consolidated basis, as applicable), and Sharon, we have prepared the Pro Forma Condensed Consolidated Financial Information and as of, and for year ended March 31, 2023. The Pro Forma Condensed Consolidated Statement of Profit and Loss was prepared as if the Sharon Transaction occurred immediately before the start of Fiscal 2023, and the Pro Forma Condensed Consolidated Balance Sheet was prepared as if the Sharon Transaction occurred as at April 1, 2022. Because of its nature, the Pro Forma Condensed Consolidated Financial Information addresses a hypothetical situation and has not been prepared in accordance with generally accepted accounting principles including accounting standard, therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the results of operations and the financial position that would have resulted had the transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position. For further information, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation"* on page 19.

2. We operate in a market that is highly competitive. We compete to provide outsourced pharmaceutical manufacturing services or CDMO services and products, particularly for formulations, to pharmaceutical companies in India and other jurisdictions. In addition, our branded generic products compete with generic products of other suppliers in India and other jurisdictions.

We compete to provide services to pharmaceutical companies in the CDMO industry. Our competition in the CDMO services and products includes full-service pharmaceutical outsourcing or CDMO companies; contract manufacturers focusing on a limited number of dosage forms; contract manufacturers providing multiple dosage forms; and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity.

The domestic formulations industry is highly fragmented in terms of both, number of manufacturers and products, with 300 to 400 organised players and approximately 15,000 unorganised players. Contract manufacturing is also characterized by high fragmentation and competition, with large number of organized and unorganized players. As a result, the bargaining power of contract manufacturing players is lowered owing to high competition. *(Source: CRISIL Report, October 2023).*

The following table sets forth the key players across the Indian CDMO industry for the Fiscal 2023.

Company Name	Date of Incorporation	Registered office location
Acme Formulation Private Limited	2004	Himachal Pradesh
Akums Drugs and Parmaceuticals Ltd	2004	Delhi
Innova Captab Limited	2005	Mumbai
Synokem Pharmaceuticals Limited	1983	Delhi
Theon Pharmaceuticals Limited	2005	Chandigarh
Tirupati Medicare Ltd	2005	Delhi
Windlas Biotech Ltd	2001	Dehradun

Note: The list of competitors is an indicative list and not an exhaustive list.
Sources: MCA, company websites and filings, CRISIL Research
(Source: CRISIL Report, October 2023).

In Europe and Asia, there are a large number of privately owned, dedicated outsourcing companies that serve only their local or national markets. We compete primarily on the basis of product portfolio (range of existing product portfolio and novelty of new offerings), of supply (quality, regulatory compliance and financial stability), service (on-time delivery and manufacturing flexibility) and cost-effective manufacturing. Competition may, among other things, result in a decrease in the fees paid for our services and reduced demand for outsourced pharmaceutical development and manufacturing services, which could have a material adverse effect on our business, results of operations and financial condition.

Our revenue from exports to our top 10 export destinations as a percentage of our revenue from sale of goods and services outside India on a restated consolidated basis are set forth below for Fiscal 2023 and the three months ended June 30, 2023.

Export Country (1)	Fiscal 2023
Kenya	24.98%
Afghanistan	11.68%
Sri Lanka	10.49%
Uganda	7.96%
Ethiopia	7.41%
Nigeria	6.70%
Yemen	4.86%
Tanzania	4.61%
Iraq	4.19%
France	3.03%
Total	**85.91%**

The top ten export countries provided are our top ten export countries in terms of revenue contribution on a restated consolidated basis for Fiscal 2023.

Export Country (1)	For three month ended 30 June 2023
Kenya	24.46%
Afghanistan	17.23%
Sri Lanka	14.80%
Ethiopia	13.09%
USA	11.11%
Tanzania	7.43%
Nigeria	4.57%
Uganda	3.71%
Ecuador	1.89%
France	1.45%
Total	**99.72%**

The top ten export countries provided are our top ten export countries in terms of revenue contribution on a restated consolidated basis for three month ended 30 June 2023.

Our cost of raw materials from import countries as a percentage of our cost of imported raw materials on a restated consolidated basis are set forth below for Fiscal 2023 and the three months ended June 30, 2023.

Import Country (1)	Fiscal 2023	Three Months ended June 30, 2023
China	20.94%	78.63%
China-SEZ	39.45%	11.83%
Hong Kong	15.01%	9.54%
Netherlands	13.38%	-
Singapore	11.22%	-
Total	**100.00%**	**100.00%**

(1) *The top import countries provided are our top import countries in terms of contribution to our cost of imported raw materials on a restated consolidated basis for Fiscal 2023.*

The following tables indicate market size of the global and India CDMO market and the global and India CDMO formulation market and our share of the global and India CDMO formulation market on a restated consolidated basis and pro forma consolidated basis for the periods indicated.

(in ₹ billion, except percentages)

Particulars	Global Market			
	Restated consolidated basis			Pro forma consolidated basis
	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2023
Market size of CDMO market (API+ Formulation)	9,015.37	9,900.02	11,002.30	11,002.30

Particulars	Global Market			
	Restated consolidated basis			Pro forma consolidated basis
	Fiscal 2021	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2023**
Market size of CDMO Formulation market	1,999.11	2,220.00	2,530.64	2,530.64
Revenue from CDMO services for Innova Captab Limited (1)	3.71	6.87	6.80	6.80
Market share of Innova Captab Limited in the CDMO formulation market	**0.19%**	**0.31%**	**0.27%**	**0.27%**

(1) Market share arrived at using revenue on a restated consolidated basis and pro forma consolidated basis, respectively. (Source: CRISIL Report, October 2023).

(in ₹ billion, except percentages)

Particulars	Indian Market			
	Restated consolidated basis			Pro forma consolidated basis
	Fiscal 2021	**Fiscal 2022**	**Fiscal 2023**	**Fiscal 2023**
Market size of CDMO market (API+ Formulation)	1,014.08	1,156.05	1,300.55	1,300.55
Market size of CDMO Formulation market	512.11	583.80	656.78	656.78
Revenue from CDMO services for Innova Captab Limited (1)	3.71	6.87	6.80	6.80
Market share of Innova Captab Limited in the CDMO formulation market	**0.72%**	**1.18%**	**1.03%**	**1.03%**

(1) Market share arrived at using revenue on a restated consolidated basis and pro forma consolidated basis, respectively. For India market, includes domestic and export operations
(Source: CRISIL Report, October 2023).

For our domestic branded generics business, we compete with companies in the Indian market based on therapeutic product categories, and within each category, upon dosage strengths and drug delivery. Many of the pharmaceutical players are adding generic products to their portfolio. *(Source: CRISIL Report, October 2023).* In addition, as we grow our international business, we expect competition from major international generic manufacturers.

Some of our competitors may have substantially greater financial, marketing, technical or other resources than we do. Greater financial, marketing, technical or other resources may allow our competitors to respond to changes in market demand faster with new, alternative or emerging technologies. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected. Changes in the nature or extent of our customer requirements may render our service and product offerings obsolete or non-competitive, which could have a material adverse effect on our business, results of operations and financial condition.

3. We have recently acquired Sharon, and do not yet know whether we will achieve the expected benefits from such acquisition, which could materially adversely affect our business, results of operation, cash flows and financial condition.

We acquired Sharon pursuant to CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients as well as finished dosages. It also offers contract manufacturing services for formulations. It also offers contract manufacturing services for pharmaceutical products. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023. For further information, see "*Our Business - Acquisition of Sharon Bio-Medicine Limited*" on page 197.

Our ability to realize the anticipated benefits of the acquisition of Sharon will depend, to a large extent, on our ability to integrate its business. The combination of two independent businesses is a complex, costly and time-consuming process. The overall integration of the businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customers and other business relationships. As a result, we will be required to devote significant management attention and resources to integrate our business practices and operations with Sharon. The integration process may disrupt the businesses and, if implemented ineffectively, would restrict the realization of the full expected benefits. Our failure to meet the challenges involved in integrating Sharon and to realize the anticipated benefits of the transaction could cause an interruption of, or a loss of momentum in, the activities of the combined businesses and could adversely affect our business, results of operation, cash flows and financial condition.

The acquisition and integration of Sharon involve other risks, including:

- implementation or remediation of controls, practices, procedures and policies at Sharon, including the costs necessary to establish and maintain effective internal controls;
- use of available cash, new borrowings or borrowings under existing credit facilities to consummate the acquisition;
- lower than expected revenue from Sharon;
- integration of Sharon's accounting, human resources and other administrative systems, including management information, purchasing, accounting, finance, billing, payroll and benefits and regulatory compliance;
- difficulties in the assimilation and retention of employees;
- difficulties in the maintenance of relationships with customers and suppliers and other key relationships of Sharon's business;
- difficulties in coordinating the sales and marketing functions of Sharon with our existing business;
- ongoing obligations under agreements related to the acquisition; and
- infringement claims, violation of laws, commercial disputes, tax liabilities and other known and unknown liabilities; or
- inheritance of claims or liabilities including claims from suppliers, customers, business partners or other third parties and potential adverse effects on our operating results.

Accordingly, if we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following the acquisition of Sharon, the anticipated benefits and synergies from it may not be realized fully, or at all, or may take longer to realize than expected, and it could have a material adverse effect on our business, results of operations, cash flows and financial condition.

4. ***Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process such as the breakdown or failure of equipment, industrial accidents, severe weather conditions and natural disasters.***

We have two manufacturing facilities in Baddi, Himachal Pradesh. Our facilities produce tablets, capsules, dry syrups, dry injections, ointments and liquid orals. Our business is dependent upon our ability to manage our operations which involves manufacturing, storage and transportation, which are subject to various operating risks, including planned shutdowns of our facilities for maintenance, statutory inspections, customer audits and testing and those beyond our control, such as the breakdown or failure of equipment, industrial accidents, severe weather conditions, accidents associated with handling of hazardous substances and natural disasters. Any significant malfunction or breakdown or occurrence of any accident involving any of our machinery, our equipment, our laboratories, our automation systems, our IT systems or any other part of our manufacturing operations or systems (together, our "**Manufacturing Assets**") may entail significant repair and maintenance costs, cause delays, suspension or full or partial shutdown of our operations. If we are unable to repair or rectify our Manufacturing Assets in a timely manner or at all which could have an adverse effect on our business, financial condition and results of operations.

Further, although we have not experienced disruptions at our manufacturing facilities in the past (save in respect of the lockdown during COVID-19), we cannot assure you that we will not experience any disruptions in our operations in the future that could result in liabilities, or adversely affect our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our business, results of operations and financial condition.

5. ***We depend on a limited number of contract development and manufacturing organization ("CDMO") customers. Any reduction in the number of CDMO customers and adverse developments or inability to***

enter into or maintain relationships with these CDMO customers could have an adverse effect on our business, results of operations and financial condition.

Our CDMO business is focused on providing products and services across a diverse range of generic pharmaceutical products for Indian pharmaceutical companies who market such products under their own brand names to the end users. The following table sets forth the number of CDMO customers on a restated consolidated basis for the periods indicated.

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three months ended June 30, 2023
Number of CDMO customers	119	174	182	133

In Fiscal, 2023, we represented 182 customers on a pro forma consolidated basis.

Our business, results of operations and financial condition are dependent on our relationships with and continued supply to our Indian pharmaceutical customers. However, some of our customers may start manufacturing at their own facilities and may discontinue the use of our CDMO services and products. Further, we typically plan and incur capital expenditure for future periods. Delays in successfully entering into contracts for utilization of upcoming capacity may result in lack of proportionate increase in our revenues and results of operations, vis-à-vis an installed capacity increase. In addition, there can be no assurance that we will be able to maintain historic levels or increased levels of business with our significant customers. If we are unable to maintain relationships with the Indian pharmaceutical companies on existing or favourable terms and conditions and if there is delay in replacing these discontinuations with our new products or new customers or maximize utilisation of our installed capacities, it could have an adverse impact on our business, results of operations, margins and financial condition.

The table set forth below provides our revenue from operations from our CDMO business on a restated consolidated basis from our top ten customers and such revenue as a percentage of our operations for the years and period indicated.

Revenue from Operations	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three Months ended June 30, 2023	
	₹ million	% of revenue from operations from CDMO business	₹ million	% of revenue from operations from CDMO business	₹ million	% of revenue from operations from CDMO business	₹ million	% of revenue from operations from CDMO business
Top Ten Customers	2,022.01	54.52%	3,341.18	48.66%	3,825.40	56.29%	1,136.63	68.39%

The table set forth below provides our revenue from operations from our CDMO business on a pro forma consolidated basis from our top ten customers and such revenue as a percentage of our operations for Fiscal 2023.

Revenue from Operations	Fiscal 2023	
	₹ million	% of revenue from operations from CDMO business
Top Ten Customers	3,825.40	56.29%

Our revenue from our top 10 customers on a restated consolidated basis for the fiscal years and period indicated are set forth below.

(in ₹ million)

Top Ten Customers (1)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three Months ended June 30, 2023
1	580.70	770.71	1,001.04	365.37
2	325.06	728.07	643.80	186.45
3	221.32	462.24	467.66	162.08
4	185.35	283.24	412.20	100.12
5	183.27	240.25	238.98	70.14
6	163.31	229.56	229.05	68.83
7	113.07	198.67	225.20	60.82

Top Ten Customers (1)	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three Months ended June 30, 2023
8	98.06	154.73	221.50	44.60
9	85.11	144.48	198.15	39.51
10	66.76	129.23	187.82	38.71
Total	**2,022.01**	**3,341.18**	**3,825.40**	**1,136.63**

(1) The top ten customers provided are our top ten customers in terms of revenue contribution on a restated consolidated basis for Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023.

Our revenue from our top 10 customers on a pro forma consolidated basis for Fiscal 2023 are set forth below.

(in ₹ million)

Top Ten Customers (1)	Fiscal 2023
1	1,001.04
2	643.80
3	467.66
4	412.20
5	238.98
6	229.05
7	225.20
8	221.50
9	198.15
10	187.82
Total	**3,825.40**

(1) The top ten customers provided are our top ten customers in terms of revenue contribution on a pro forma consolidated basis for Fiscal 2023.

Although we have various long-term agreements, the volume under these agreements is subject to change, sometimes significantly based on the expected forecast volume required by our customers. In addition, certain of our agreements may be terminated by the customer without notice. While, in the recent past, none of our agreements have been terminated without notice there can be no assurance that such instances will not occur in future. In addition, the amount of customer spending on pharmaceutical development and manufacturing, particularly the amount our customers choose to spend on outsourcing CDMO services and products, has a large impact on our sales and profitability. Consolidation in the pharmaceutical industry may also impact such spending as customers integrate acquired operations, including research and development departments and manufacturing operations. Any reduction in customer spending on outsourcing CDMO services and products as a result of these and other factors could have a material adverse effect on our business, results of operations and financial condition.

6. Failure to comply with the quality requirements and technical specifications prescribed by our 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 products and manufacturing processes are subject to stringent quality standards and specifications, typically specified by our CDMO customers in their respective agreements, and any deviations from the required specifications by our Company or failure to comply with the technical specifications of our customers regarding the composition of drugs or any alterations in manufacturing process or method or raw material, may lead to a recall of products or cancellation of the orders placed by our customers and in some instances or may require prior intimation from the customer.

Some agreements also require us to furnish quality assurance and compliance certificates to the customers certifying that the quality of the products is as per the agreed specifications. As per the terms and conditions of the respective agreements, our customers have the right to reject the products in case of, *inter alia*, manufacturing defects, and discrepancy with respect to prescribed specifications, and we are responsible to replace such products free of any additional cost within a stipulated timeframe along with indemnity to the customer for losses arising from breach of obligations, specification of raw material used and manufacturing defect.

During Fiscal 2021, Fiscal 2022 or Fiscal 2023 or the three months ended June 30, 2023, we have received certain complaints from our CDMO customers. The nature of these complaints was mainly related to packaging material of the products. There have not been any financial implications related to these complaints. We undertake corrective and preventive actions on these complaints on a regular basis.

While we believe we undertake the necessary measures and engage internal and external experts to ensure that our facilities 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 CDMO customers are typically provided the right to audit our manufacturing facilities, processes or systems, under such agreements, after providing a certain period of notice. While we have not received any adverse observations in the past from our customers pursuant to such audits, 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 for their outsourcing operations. The finished product delivered by us is further subject to laboratory validation by certain customers. 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.

In cases of recall of a product manufactured by us, our CDMO agreements typically require us to bear all the expenses and costs of such recall either upfront or by way of deduction from our bills, and the customers may also opt to terminate the agreement on account of such recall. During the period from April 1, 2021, to June 30, 2023, we had 10 cases of goods returned due to product recalls, and our liabilities on account of such product recalls is estimated at ₹3.00 million.

In addition, a complaint dated September 11, 2018 was filed by the Drugs Inspector, representing the state of Tamil Nadu, before the Court of Judicial Magistrate No. VII, Coimbatore, against our Company and four of our Directors at the time, namely, Jayant Vasudeo Rao, Gian Parkash Agarwal, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, for contravening the provisions of section 18 (a)(i) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug ventoxol expectorant, since the sample taken did not confirm to the label claim with respect to one of its contents. Our Company has, pursuant to such complaint, recalled the drug from the vendors and distribution channels. The matter is currently pending. The impact of this drug recall did not have a material effect on our business or results of operations.

Further, a complaint dated February 3, 2022 was filed by the Drugs Inspector, Srikakulum, representing the state of Andhra Pradesh, before the Court of Additional Judicial First Class Magistrate, Srikakulum District, against our Company and one of our Directors namely, Jayant Vasudeo Rao, for contravening the provisions of section 18 (a)(i) read with section 16 (1)(a) and the second schedule (1) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug pantaprazol sodium tablets with brand name Pantofresh - 40, since the sample taken had failed in the dissolution test as per the standards laid down by the Indian Pharmacopoeia Commission. Our Company has recalled the drug pursuant to such complaint. The matter is currently pending. The impact of this drug recall did not have a material effect on our business or results of operations.

7. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 103. As of the date of this Red Herring Prospectus, our funding requirements are based on management estimates in view of past expenditures and have not been appraised by any bank or financial institution. They are based on current conditions and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds in the manner specified in "*Objects of the Offer*" on page 103, the use of certain portion of the Net Proceeds will be based on our management's discretion. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

8. ***We have incurred significant capital expenditure during the last three Fiscal Years and the three months ended June 30, 2023. We may require substantial financing for our business operations and planned capital expenditure and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.***

We have incurred significant capital expenditure during the last three Fiscal Years and the three months ended June 30, 2023.

The following tables sets forth our capital expenditure (which is defined as the additions to property, plant and equipment during the period / year plus additions to other intangible assets during the period / year less the balance of capital work in progress at beginning of the period / year plus balance of capital work in progress at end of period / year) on a restated consolidated basis and pro forma consolidated basis for the periods indicated.

(₹ in million)

Restated Consolidated	As at March 31,			As at June 30, 2023
	2021	2022	2023	
Capital expenditure	110.63	768.24	260.99	143.90

(₹ in million)

Pro forma Consolidated (1)	
Particulars	As at March 31, 2023
Capital expenditure	310.84

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

A significant amount of our capital expenditure in these periods was aimed at increasing our manufacturing capacities, R&D activities and building our international business.

There can be no assurance that our expansion plans will be implemented as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. If we experience significant delays or mishaps in the implementation of the expansion plans or if there are significant cost overruns, then the overall benefit of such plans to our revenues and profitability may decline. To the extent that the planned expansion does not produce anticipated or desired output, revenue or cost-reduction outcomes, our business, results of operations and financial condition will be adversely affected.

In the future, we may require substantial capital for our business operations and planned capital expenditure to maintain and grow our existing infrastructure, purchase equipment and develop and implement new technologies in our new and existing manufacturing facilities. Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. Our ability to raise debt financing on acceptable terms also depends on our credit ratings. For further information on the risks associated with credit ratings, see "- *Any downgrade of our debt ratings could adversely affect our business.*" on page 61. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

9. Our dependence on China, China SEZ and Hong Kong for our raw material supplies exposes us to political, economic and social conditions in greater China.

We are dependent on the import raw materials from China, China SEZ and Hong Kong.

The table set forth below provides our imported raw materials from China, China SEZ and Hong Kong on a restated consolidated basis as a percentage of our cost of imported raw materials and as a percentage of total raw materials purchases for the fiscal years/period indicated.

Restated Consolidated	For the year ended March 31,			For the three months ended June 30, 2023
	2021	2022	2023	
Imported raw materials from China, China SEZ and Hong Kong as a percentage of our cost of imported raw materials	91.85%	90.03%	75.41%	100%
Imported raw materials from China, China SEZ and Hong Kong as a percentage of total	13.11%	12.28%	6.18%	1.15%

Restated Consolidated	For the year ended March 31,			For the three months ended June 30, 2023
	2021	2022	2023	
raw material				

Our dependence on China, China SEZ and Hong Kong for our raw material supplies exposes us to political, economic and social conditions in greater China. Further, our raw material suppliers may be adversely impacted by the economic downturn in their national or regional economies, disruption in their banking and financial systems, economic weakness, unfavourable government policies, rising inflation, lowering of spending power and customer confidence, and political uncertainty.

10. Our business is capital intensive. Any insufficient cash flows from our operations or inability 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 primarily as a considerable amount of time passes between purchase of raw materials and sale of our finished products. 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.

Further, we are required to partially finance a portion of the purchase orders received through our own sources and are therefore required to maintain a sufficient amount of working capital. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Further, we require a substantial amount of capital and will continue to incur significant expenditure in maintaining and growing our existing infrastructure and any additional fund raise, equity or debt, 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.

As of October 31, 2023, our sanctioned working capital facilities amounted to ₹2,650.00 million on a restated consolidated basis and our amount outstanding under our working capital facilities was ₹1,585.53 million on such date. We intend to utilise ₹720.00 million (as part of the Net Proceeds) towards funding our incremental working capital requirements in Fiscal 2023 and Fiscal 2024. For further information on the use of Net Proceeds, see "*Objects of the Offer*" on page 103. 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 and the effect of events such as 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.

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 re-negotiation 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. For further information on the working capital facilities currently availed of by us, see "*Financial Indebtedness*" on page 422.

11. We are required to transfer, obtain, renew or maintain statutory and regulatory permits, licenses and approvals connected with Sharon's business that became a wholly owned subsidiary of UML as of June 30, 2023, and any delay or inability in transferring, renewing or maintaining such permits, licenses and approvals could adversely affect our business, results of operations and financial condition.

We acquired Sharon pursuant to CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients as well as finished dosages. It also offers contract manufacturing services for formulations.

Sharon's operations are subject to extensive government regulation, and we are required to transfer, obtain, renew or maintain statutory and regulatory permits, licenses and approvals connected with Sharon's business under central, state and local government rules in the geographies in which Sharon operates and generally for carrying out Sharon's business and for Sharon's manufacturing facilities. Any inability to obtain or transfer or renew or maintain certain or all of these permits, licenses and approvals in the time frames prescribed under law or as may be required for the purpose of the business, or any failure to comply with applicable conditions or any claim in relation to breach of any such conditions could adversely affect Sharon's business, results of operations, cash flows and financial condition and consequently, our business, results of operations, cash flows and financial condition. We cannot assure you that the requisite statutory and regulatory permits, licenses and approvals will be transferred, obtained, renewed or maintained in a timely manner, or at all, and, if we fail to transfer, obtain, renew or maintain such statutory and regulatory permits, licenses and approvals, our business, results of operations and financial condition could be adversely affected.

12. We are subject to risks associated with rejection of supplied products, and consequential claims and associated product liability costs due to defects in our products, which could generate adverse publicity or adversely affect our business, results of operations or financial condition.

While the recent amendments to the Drugs Rules, 1945 have made the marketing companies (in addition to the actual manufacturer) responsible for the quality of the drug as well as regulatory compliances, any defects in our products could lead to rejection of supplied products and consequential financial claims. The products that we produce are subject to risks such as contamination, adulteration and product tampering during their production, transportation or storage. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. A partially successful or completely uninsured claim against us could materially harm our business, results of operations and financial condition.

We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling, which may lead to the deterioration of our products, or from defects arising from deterioration in our quality controls. Further, while we seek to conform our products to meet a variety of contractual specifications and regulatory requirements, there can be no assurance that product liability claims or recall claims against us will not arise, whether due to product malfunctions, defects, or other causes. Product liability claims, regardless of their merits or the ultimate success of the defense against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and impair the marketability of our products.

13. Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and adversely affect our business, results of operations and financial condition.

Raw materials, including packaging materials, are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. We purchase APIs and other materials such as, excipients and impurities, primary and secondary packaging materials from third party suppliers domestically. In addition, we purchase certain APIs from a third-party international supplier.

We do not have any long term contracts with our third-party suppliers. Prices are negotiated for each purchase order and we generally have more than one supplier for each raw material. The terms and conditions including the return policy are set forth in the purchase orders. However, our suppliers may be unable to provide us with a sufficient quantity of raw materials, at prices acceptable to us, for us to meet the demand for our products. We are also subject to the risk that one or more of our existing suppliers may discontinue their operations, which may adversely affect our ability to source raw materials at a competitive price. In addition, under certain CDMO agreements, we are obligated to procure raw materials from vendors specified by the customer. Any increase in raw material prices may result in corresponding increase in our product costs. 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.

In addition, we source some of our raw materials internationally. The tables set forth below provides our imported raw materials on a restated consolidated and pro forma consolidated basis as a percentage of total raw materials purchases for the periods indicated.

Restated Consolidated Financial Information				
Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the year ended March 31, 2023**	**For the three months ended June 30, 2023**
Imported raw materials as a percentage of total raw materials purchases	13.68%	13.64%	8.20%	1.15%

Pro Forma Consolidated Financial Information (1)	
Particulars	**For the year ended March 31, 2023**
Imported raw materials as a percentage of total raw materials purchases	9.09%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

Some of our raw material imports are regulated by the Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 that, inter alia, allows the concerned authority to take any action if it deems that the chemicals proposed to be imported may cause major accidents or stop an import of chemicals based on safety and environmental considerations. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. Further, any increase in export tariff will increase expenses which in turn may impact our business and results of operations.

14. Reforms in the healthcare industry and the uncertainty associated with pharmaceutical pricing, reimbursement and related matters could adversely affect the pricing and demand for our products as well as the consumer demand for the products we manufacture for our customers, which may significantly influence our business, results of operations and financial condition. Further, our business and results of operations may be adversely impacted due to the price ceiling imposed by the Government.

The healthcare industry has changed significantly over time, including, amongst others, healthcare reform, adverse changes in government or private funding of healthcare products and services, legislation or regulations governing the privacy of patient information or patient access to care, or the delivery, pricing or reimbursement of pharmaceuticals and healthcare services or mandated benefits. Such changes may cause the healthcare industry participants to reduce the number of our services and products that they purchase from us or the price they are willing to pay for our services and products.

In many countries in which we currently operate, including India, pharmaceutical prices are subject to regulation. Price controls operate differently in different countries and can cause wide variations in prices between markets. Currency fluctuations can aggravate these differences. The existence of price controls can limit the profit our customers can earn from the market and thereby have a follow-on effect in them seeking a lower price manufacturing supplier for that product. Significant changes in price control limits set by regulators can change the profitability both for our customers as well as for us.

The Government of India has been taking various steps to control the prices of drugs and make it more affordable to consumers. Between fiscal 2014 and fiscal 2015, the industry saw drug prices being regulated for more than 500 medicines under the Drug Price Control Order ("**DPCO**"), thereby negatively impacting the industry. (*Source: CRISIL Report, October 2023)*. Drugs under the National List of Essential Medicines ("**NLEM**") comprised approximately 20% of the overall domestic pharmaceutical market. Currently, prices of about 900-1000 scheduled formulations have been fixed by the Government so far. (*Source: CRISIL Report, October 2023)*. Due to the drop in realizations of pharmaceutical formulations, margins of contract manufacturing players have reduced as well. Therefore, both companies that market pharmaceutical formulations and CDMOs are equally impacted due to the price ceiling imposed by the Government. If the prices of more of our products or our customers' products are administered or determined by the DPCO or NPPA or other similar authorities outside India, it would have an adverse impact on our profitability.

15. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders. In Fiscal 2023 and in the three months ended June 30, 2023, we derived 10.72% and 8.88%, respectively, of our revenue from operations on a restated consolidated basis from related party transactions.

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties including Key Managerial Personnel. The table below sets forth related party transactions as a percentage of revenue from operations for the periods indicated.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023	For the three months ended June 30, 2023
Related party transactions as a percentage of revenue from operations	29.05%	27.57%	10.72%	8.88%

UML (which is now a wholly owned subsidiary of the Company) undertake marketing and sale of finished pharmaceutical products of the Company and revenue from their operations are considered as related party transactions. Related party transactions entered into by our Company and UML, respectively, in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, as per Ind AS 24, derived from the Restated Consolidated Financial Information is detailed below.

Nature of Transaction	Name of the related party	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2023	For the three months ended June 30, 2023
Revenue from operations (net of returns)	Univentis Medicare Limited	16.42%	13.07%	11.94%	13.19%

While we believe that all such related party transactions are conducted on an arms' length basis in accordance with the Companies Act and other applicable regulations, 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 or that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations. Furthermore, it is likely that we will continue to enter into related party transactions in the future. All such related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act and the SEBI Listing Regulations, in the interest of our Company and our minority shareholders and in compliance with the SEBI Listing Regulations, we cannot assure you that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

16. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

As on October 31, 2023, our Company had obtained registrations to manufacture 3,041 products from the Drug Licensing Authority, Himachal Pradesh, India, as well as 200 product registrations in other countries, in respect of the products we manufacture, from the licensing authorities of the relevant jurisdictions. Certain of these product registrations may have lapsed in their normal course, and we have made applications to the appropriate authorities for the renewal of such registrations. We cannot assure you that the renewals to such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be materially adversely affected. For further details, see *"Government and Other Approvals"* on page 441. If we fail to maintain, obtain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations and financial condition could be adversely affected.

17. The pharmaceutical market is subject to extensive regulation and failures to comply with the existing and future regulatory requirements in any pharmaceutical market could adversely affect our business in that market, results of operations and financial condition.

We operate in a highly regulated industry and our operations are subject to extensive regulation governing the pharmaceutical market, including anti-corruption laws and extensive environmental and workers' health and safety laws and regulations in India. The development, testing, manufacturing, operations, marketing and sale of pharmaceutical products are subject to extensive regulation in India and other countries where we export our products. 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, and for certain facilities involved in producing products for exports, international regulatory authorities, such as regulatory authorities in the Africa and Asia. For details of the key regulations applicable to our business in India, see "*Key Regulations and Policies*" on page 214.

Further, as we expand our operations and geographic scope, we may be exposed to more complex and new regulatory and administrative requirements, language barriers, lack of brand recognition and legal risks, any of which may require expertise in which we have limited experience as well as impose significant compliance costs on us. In addition, we believe applicable regulations have become increasingly stringent and if new legislation or regulations are enacted or existing legislation or regulations are amended or are interpreted or enforced differently, we may be required to obtain additional approvals or operate according to different manufacturing or operating standards. This may require a change in our development and manufacturing techniques or additional capital investments in our facilities. Any related costs may be significant and any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation, being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing facilities.

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.

Inspections by regulatory authorities that identify any deficiencies could result in remedial actions, production stoppages or facility closure or other sanctions being imposed on us, which would disrupt the manufacturing process and supply of products to our customers. Although there have been no instances of contractual and product liability claims pursuant to inspection by regulatory authorities in Fiscal 2021, Fiscal 2022 or Fiscal 2023 or the three months ended June 30, 2023, any potential future failure to comply with any applicable regulation could expose us to contractual and product liability claims, including claims by customers or recall or other corrective actions or be involved in future litigation or other proceedings or be held liable in any litigation or proceedings, the cost of which could be significant.

18. Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business.

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies as set forth in "*Our Business-Our Strategies*" on page 194. Each of these strategies are subject to certain risks and uncertainties. Our strategies may not succeed due to various factors, many of which are beyond our control, including our inability to reduce our debt and our operating costs, our failure to develop new products and services with growth potential as per the changing market preferences and trends, our failure to execute agreements with our technology and strategic partners, our failure to effectively market our new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategies and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. Any failure on our part to implement our strategy due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, results of operations and financial condition. For further details of our strategies, see "*Our Business - Our Strategies*" on page 194.

19. Any failure of the third parties, on whom we rely for clinical trials, in performing their obligations and complying with regulatory standards could result in a delay in receiving regulatory approval and adversely affect our business, financial condition and results of operations.

We depend on third party qualified contract research organisations to conduct clinical trials and studies of our new products and expect to continue to do so. We rely on such parties for successful execution of our clinical trials and studies, however, we do not control many aspects of their activities.

Set forth below are key pharmaceutical contract research organizations providing clinical trial solutions in the global and Indian market as of November 2023.

Company Name	Key products/services
Contract research organizations in global market	
IQVIA Holdings Inc.	Technology & analytics solutions, research & development solution, contract sales & medical solutions
Icon PLC	Clinical research services, molecule development consulting, functional service provision
Parexel International Corporation	Clinical research services, outsourcing services, medical communications
Thermo Fisher Scientific Inc.	Drug discovery and development, pre-clinical and clinical drug testing, drug formulation manufacturing
Labcorp	Drug development consulting, clinical development, clinical testing
Syneos Health	Clinical development, consulting
Contract research organizations in Indian market	
Syngene International Ltd.	Drug discovery, drug development and drug manufacturing
Vimta Labs Ltd.	Pre-clinical research, clinical research
Veeda Clinical Research Ltd.	Pre-clinical research and development, clinical research and development
Jubilant Biosys Ltd.	Drug discovery and contract research services
Aragen Life Sciences Pvt. Ltd.	Drug discovery, drug development and drug manufacturing
Lambda Therapeutic Research Ltd.	Pre-clinical research, clinical research
Clininvent Research Pvt. Ltd.	Drug discovery, drug development and drug manufacturing
Siro Clinpharm Private Limited	Clinical operations, medical writing
Diagnosearch Life Sciences Pvt. Ltd.	Clinical operations, consulting

Note: The list of players is an indicative list and not an exhaustive list.
Sources: company websites and filings, CRISIL Research
(Source: CRISIL Report, October 2023).

These agreements usually continue until completion of the service stipulated in the agreement. Our responsibilities under such agreements include protocol review, supply of investigational products, provision of the study related documents and monitoring the study, amongst others. Third parties may also not complete activities on schedule or may not conduct our studies in accordance with applicable trial, plans and protocols. Nonetheless, we are responsible for confirming that each of our clinical trials is conducted in accordance with its general investigational plan and protocol. In addition, our reliance on these third parties does not relieve us of our responsibility to comply with the applicable regulations and standards of the regulatory authorities related to good clinical practices.

20. We are dependent on our R&D activities for our future success. If we do not successfully develop new products or continue our generic product portfolio expansion in a timely and cost-effective manner, our business, results of operations and financial condition may be adversely affected.

The pharmaceutical and healthcare industry is characterised by technological advancements, introduction of innovative products, price fluctuations and intense competition. We have R&D facilities and pilot equipment located at our manufacturing facility at Baddi, Himachal Pradesh. We have invested substantial effort, funds and other resources towards our R&D activities to develop various generic products, manufacturing processes and technologies for diverse therapeutic segments. In Fiscal 2023 and in the three months ended June 30, 2023, our R&D expenditure on a restated consolidated basis was ₹110.13 million and ₹17.39 million, respectively. While we have made significant investments in R&D activities, there can be no assurance that our expenditure on R&D activities will yield proportionate results of substantial commercial value or that commercially viable products may be developed or launched as a result of such R&D activities. The following table sets forth the R&D expenditure and R&D expenditure as a percentage of total income of Indian CDMO formulation players and Indian domestic formulation players as of Fiscal 2023:

(in ₹ million, except percentages)

Company Name	Total Income	R&D expenditure	R&D expenditure as a % of total income
Indian CDMO formulation players			

Company Name	Total Income	R&D expenditure	R&D expenditure as a % of total income
Akums Drug and Pharmaceuticals Ltd.	36,945.23	223.64	0.61%
Innova Captab Limited (1)	11,865.44	110.13	0.93%
Synokem Pharmaceuticals Ltd.	6,909.02	75.133	1.09%
Theon Pharmaceuticals Ltd.	4,659.07	15.418	0.33%
Windlas Biotech Ltd.	5,230.48	89.48	1.71%
Acme Formulations Private ltd.	5,386.58	157.39	2.92%
Indian domestic formulation players	36,945.23	223.64	0.61%
Abbott India	55,028.80	8.80	0.02%
Alembic Pharma	56,553.60	7,218.40	12.76%
Aurobindo Pharma Ltd.	251,459.70	14,115.30	5.61%
Biocon Ltd	115,501.00	11,194.00	9.69%
Cipla Ltd	232,285.70	13,440.00	5.79%
Dr.Reddy's Laboratories Ltd.	257,252.00	19,381.00	7.53%
GlaxoSmithKline	33,523.84	19.10	0.06%
Glenmark Pharmaceuticals Ltd.	133,068.96	12,500.35	9.39%
Ipca Labs	63,699.40	1,564.90	2.46%
Lupin Ltd#	167,150.20	12,800.00	7.66%
Panacea Biotech Ltd.	5,116.09	373.06	7.29%
Sun Pharmaceuticals Industries Ltd.	445,202.00	23,676.00	5.32%
Torrent Pharmaceuticals Ltd	96,652.90	5,160.00	5.34%
Wockhardt Ltd.	27,730.00	2,730.00	9.84%

(1) R&D expenditure and total income on a pro forma consolidated basis.
(Source: CRISIL Report, October 2023).

Our future results of operations also depend, to a significant degree, on our ability to successfully develop new products and continue our product portfolio expansion in a timely and cost-effective manner. The development and commercialisation of new products (whether ours or our customers' products) are complex, time-consuming, costly and are characterised by significant upfront costs, including costs relating to product development activities, obtaining regulatory approvals, building inventory and sales and marketing and involves a high degree of business risk. We may be unable to successfully create these new products or encounter unexpected delays in the launch of these products and even if launched as planned, such products may not perform as we expect may be less profitable than what we have experienced historically or estimated, may be loss-making, may consume substantial financial resources and/or may divert management's attention from existing operations, all of which could materially and adversely affect our business, results of operations and financial condition.

For details on attrition rate of R&D department, please refer "– *We are dependent upon the experience and skill of our management team and a number of key managerial personnel as well as on our ability to attract and retain personnel with technical expertise. If we are unable to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition"* on page 50. Our R&D department's average strength is around 45 employees and due to a relatively lower base, attrition percentage rate reflects a higher number even in case of normal attrition of 4-5 employees a year.

21. 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.

All of our existing manufacturing facilities are in Baddi, Himachal Pradesh. We are also planning to set up a manufacturing facility in Jammu. We often increase capacity to meet the anticipated demand of our customers or significantly reduce production of certain products depending on potential orders. The success of any capacity expansion and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise. 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. For detailed information on our capacity utilization, see "*Our Business- Capacity, Production and*

Capacity Utilization" on page 204.

22. We rely on our distributors and stockists for the sale and distribution of our products. A termination of our sales arrangements or if our distributors and stockists do not effectively sell or market our products, our business, results of operations and financial condition may be adversely affected.

Our domestic branded generic products are distributed through distributors, stockists, and retail pharmacies, as well as the online channel including various e-commerce platforms. Accordingly, we rely on our distributors and stockists to sell our branded generic products. In Fiscal 2023 and in the three months ended June 30, 2023, we had a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies. Our ability to expand and grow our branded generics brands reach significantly depends on the reach and effective management of our distributors and stockists' network. As we sell and distribute our products through such distributors or stockists, any one of the following events could cause fluctuations or declines in our revenue and could have an adverse effect on our financial condition, cash flows and results of operations:

- failure to renew agreements with distributors or stockists;
- failure to maintain and establish relationships with our existing/ new distributors or stockists;
- inability to timely identify and appoint additional or replacement distributors or stockists upon the loss of one or moreof our distributors or stockists;
- failure to obtain timely payments from distributors or stockists;
- reduction, delay or cancellation of orders from one or more of our distributors or stockists; and
- disruption in delivering of our products by distributors or stockists.

Further, we do not have exclusive arrangements with our distributors or stockists, which allows them to engage with our competitors. We also compete for distributors and stockists with other leading pharmaceutical companies that may have greater brand recognition and financial resources, and a broader product portfolio than we do. If our competitors provide greater incentives to our distributors and stockists, they may choose to promote the products of our competitors instead of our products.

23. Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns.

We have made and intend to continue making investments to expand the capacity of our manufacturing facilities to aid our growth efforts. We intend to construct a new 240,916 sq. ft facility in Jammu ("**Jammu Facility**"), which may be utilised for manufacturing tablets, capsules, dry syrups and injections. The estimated total project cost for this new Jammu Facility is ₹3,551.72 million, as certified by Ravinder K. Sharma & Co. Chartered Accountants.

Further, expansion of manufacturing facilities requires governmental, statutory and other regulatory approvals, licenses, permits and registrations to be obtained from various authorities and we cannot assure you that we will be able to obtain or renew such approvals, licenses, permits and registrations in a timely manner, or at all. If we fail to obtain or renew such licenses, approvals, registrations and permits in a timely manner, our commissioning date for the expansion plans may be delayed, which could adversely affect our business and results of operations.

Construction of our new Jammu Facility will be subject to the potential problems and uncertainties that construction projects face including cost overruns or delays. In addition, construction and operation of our new Jammu Facility will require us to obtain various approvals. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all.

As on November 15, 2023, we have made the following progress on construction of our new Jammu Facility:

- Land has been acquired and possession has been taken;
- Construction is ongoing;
- Orders for plant and machinery are ongoing;
- Construction contracts are being finalized;
- Purchase orders for plant, equipment and other fixed assets, both imported and indigenous, amounting to ₹2,946.97 million have been placed;
- An amount of ₹2,498.65 million has already been incurred on the project out of which ₹1,061.48 million has funded by through our internal accruals and the remaining ₹1,437.16 million has been disbursed by HDFC bank / State Bank of India;

- Out of the purchase orders placed for imported machinery and equipment, 4 sets of blow fill seal machines having invoice value of CHF 13.50 million (₹1,302.87 million) have been received at the facility;
- Acknowledgment of our intent to establish a manufacturing enterprise has been received from the office of the General Manager of District Industries Centre, Kathua;
- GST registration has been received; and
- Consent to Establish received from the Jammu and Kashmir State Pollution Control Board.

24. We are required to comply with the applicable regulations of the international markets where we export our products as well as obtain registrations from international agencies through our customers to enable exports of our products to other jurisdictions. Further, our international operations are subject to regulatory risks that could adversely affect our business, results of operations and financial condition.

During Fiscal 2023 and the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. Each such country is governed by their respective laws that require us to obtain approvals or registrations from such country's respective relevant authorities. We undertake these exports by registering our products with the respective regulatory authority. The name of our Company appears on the label of the package of the product as the "source" or "manufacturer" of these products meant for sale in a country. We are also required to comply with the local packaging disclosure requirements for the direct export and sale of our generic drugs. Each applicable authority may impose its own requirements and / or delay or refuse to grant registration, even when a product has already been approved in another country. Even after we obtain all the requisite regulatory or governmental pre-approvals and registrations, our generic products may be subject to other continual governmental oversight in connection with, among other things, quality control. In addition, after a period of time, in certain countries, the products are re-evaluated for their continued use and additional data may be required in relation to their safety aspects, which may become more stringent.

There can be no assurance that we or our distributors, dealers or customers would be able to obtain the necessary approvals to import and / or undertake sales of our generic products, or that we will be able to register or re-register our generic products in the countries where we export.

In addition, our international operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with international operations, in general. These risks 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. Any developments in the pharmaceutical industry or the industries in which our customers operate could have an impact on our sales from exports. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products.

We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments, such as the Specially Designated Nationals and Blocked Persons list maintained by the Office of Foreign Assets Control of the US Department of Treasury in the United States. Any such imposition of trade barriers may have a material adverse effect on our business, results of operations and financial condition.

25. We are dependent upon the experience and skill of our management team and a number of key managerial personnel as well as on our ability to attract and retain personnel with technical expertise. If we are unable to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.

We believe that the inputs received from our senior management and their experience, along with the expertise, experience and services of our Promoters and Executive Directors are valuable for the development of business and operations and the strategic directions taken by our Company. For further information, see "*Our Management*" on page 230. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. Our sales team has also developed relationships with a number of distributors and stockists that would be difficult to replace. Competition for qualified technical personnel and operators as well as R&D personnel and sales personnel with established dealer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. During in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the seven months ended October 31, 2023, there has been five changes in KMPs. Delay in hiring and training replacement personnel and maintaining increasing level of employee compensation could have an adverse effect on our business, results of operations, cash flows and financial condition.

The table below provides our attrition rate for the years and period indicated.

Period	Attrition Rate (%)				
	Un-Skilled	Semi-Skilled	Skilled	Highly Skilled*	Total
Fiscal 2021	47.59%	37.69%	12.14%	8.33%	34.21%
Fiscal 2022	43.75%	37.99%	12.37%	9.49%	30.65%
Fiscal 2023	41.63%	44.94%	10.23%	18.92%	32.44%
Apr-Oct 2023	34.92%	26.29%	6.59%	18.06%	22.18%

** including assistant manager and above*

The above attrition rates reflect the high attrition levels in our business for unskilled employees.

Our attrition rate for R&D employees and the number of R&D employees as a percentage of total employees for the years and period indicated is set forth below.

Period	Attrition Rate % of R&D employees	% of R&D employees of total employees
Fiscal 2021	22.22%	2.16%
Fiscal 2022	16.13%	2.62%
Fiscal 2023	17.95%	3.06%
Apr-Oct 2023	16.67%	3.91%

As we intend to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management, R&D, unskilled and sales personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. Further, as on the date of this Red Herring Prospectus, we do not have key man insurance policies. For further information, see "*Our Management*" on page 230.

26. Our inability to collect receivables and default in payment from our customers could result in the reduction of our profits and affect our cash flows.

The majority of our sales are to customers on an open credit basis, with standard payment terms of generally between 30 to 90 days. While we generally monitor the ability of our customers to pay these open credit arrangements and limit the credit, we extend to what we believe is reasonable based on an evaluation of each customer's financial condition and payment history, we may still experience losses because of a customer being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate.

Our trade receivables on a restated consolidated and pro forma consolidated basis and our trade receivables as a percentage of revenue from operations on a restated consolidated basis for the years and period indicated are set forth below.

(in ₹ million, except percentages)

Restated Consolidated Financial Information				
Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three Months ended June 30, 2023
Trade receivables	1,385.53	2,126.86	2,652.18	3,032.75
Trade receivables as a percentage of revenue from operations	33.74%	26.57%	28.63%	130.03%*

**Not annualised*

Pro Forma Consolidated Financial Information (1)	
Particulars	For the year ended March 31, 2023
Trade receivables	2,913.03

Pro Forma Consolidated Financial Information (1)	
Particulars	**For the year ended March 31, 2023**
Trade receivables as a percentage of revenue from operations	26.04%

(1) *Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.*

Trade receivables on a restated consolidated basis increased from ₹1,385.53 million as at March 31, 2021 to ₹2,126.86 million as at March 31, 2022, mainly due to acquisition of UML as of December 31, 2021. Trade receivables on a restated consolidated basis as a percentage of revenue from operations decreased from 33.74% for Fiscal 2021 to 26.57% for Fiscal 2022 mainly due to the reason that because UML was acquired on December 31, 2021, the trade receivables include UML's trade receivables but the revenue from operations for the Fiscal March 31 2022 include UML's revenue for three month only.

Trade receivables on a restated consolidated basis increased from ₹2,126.86 million as at March 31, 2022 to ₹2,652.18 million as at March 31, 2023, due to increase in revenue as normal trend. Trade receivables on a restated consolidated basis as a percentage of revenue from operations increased from 26.57% for Fiscal 2022 to 28.63% for Fiscal 2023 due to increase in revenue and normal business trend.

Trade receivables on a pro forma consolidated basis ₹2,913.03 million as at March 31, 2023. Also, receivable turnover days on a pro forma consolidated basis were 95 days for the same periods. Trade receivables as a percentage of revenue from operations on a pro forma consolidated basis is 26.04% for Fiscal 2023.

In in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, our receivable turnover days on a restated consolidated basis were 123 days, 97 days, 104 days and 118 days, respectively. In Fiscal 2023, receivable turnover days on a pro forma consolidated basis were 95 days. Any increase in our receivable turnover days will negatively affect our business. If we are unable to collect customer receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, results of operations and financial condition.

Macroeconomic conditions could also result in financial difficulties, including insolvency or bankruptcy, of our customers, and as a result could cause customers to delay payments to us, request modifications to their payment arrangements, that could increase our receivables or affect our working capital requirements, or default on their payment obligations to us. An increase in bad debts or in defaults by our customer, may compel us to utilize greater amounts of our operating working capital and result in increased interest costs, thereby adversely affecting our results of operations and cash flows.

27. Our failure to manage growth effectively may adversely impact our business, results of operations and financial condition.

We have experienced growth overall in the past three years. Revenue from operations as per our Restated Consolidated Financial Information have grown at a 50.19% CAGR from ₹4,106.62 million in Fiscal 2021 to ₹9,263.80 million in Fiscal 2023. Revenue from operations as per our Restated Consolidated Financial Information was ₹2,332.43 million in the three months ended June 30, 2023. Revenue from operations as per our Pro Forma Condensed Consolidated Financial Information was ₹11,185.96 million in Fiscal 2023. Our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our businesses, results of operations and financial condition.

28. Our manufacturing and R&D facilities are located in Himachal Pradesh exposing us to regulatory and other geography specific risks such as labour unrests, terrorist attacks, other acts of violence and occurrence of natural and man-made disasters.

As of the date of this Red Herring Prospectus, all of our manufacturing facilities (including our R&D facilities) are located in Himachal Pradesh. Accordingly, our entire current manufacturing and R&D operations are concentrated in one geographic area. This concentration heightens our exposure to adverse developments related to regulatory, as well as economic, demographic and other changes in Himachal Pradesh as well as the occurrence of natural and man-made disasters in Himachal Pradesh, which may adversely affect business, results of operations and financial condition. Our manufacturing and R&D operations require significant labour and are also reliant on government policies in terms of taxes, duties and incentives made applicable by the state government. For further information, see "*Statement of Possible Special Tax Benefits*" on page 123. As a result, any unfavourable policies in Himachal Pradesh, could adversely affect our business, results of operations and financial condition. Furthermore, while Himachal Pradesh has not experienced social and civil unrest in the past within the state, there can be no assurance that such situations will not occur in the future. Such tensions could lead to political or economic instability in Himachal Pradesh and a possible adverse effect on our business, results of operations and financial condition.

29. We may face labour disruptions that could adversely affect our business, results of operations and financial condition.

As on October 31, 2023, we had 1,231 employees (not including Sharon) working in our manufacturing facilities. The success of our operations depends on availability of labour and good relationships with our labour force. As of the date of this Red Herring Prospectus, our employees (save for Sharon employees) are not members of any organised labour unions. Sharon's Taloja facility (manufacturing intermediaries and API workers) has two recognised trade unions with long term settlements in place until December 2024, and Sharon's Taloja facility (toxicology R&D workers) have two recognised trade unions with long term settlements in place until May 2024. In addition, work stoppages caused by disagreements with employees such as strikes and lockouts may adversely affect our operations. Although we have not had instances of strikes and labour disputes in the Company, we may experience strikes or lockouts on account of labour disputes in the future. Such events could disrupt our operations and may have a material adverse effect on our business, results of operations and financial condition.

Further, we engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing facilities as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage 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 business, results of operations and financial condition.

30. There is pending litigation against our Company, Promoters, Subsidiaries and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, results of operations and financial condition.

As of the date of this Red Herring Prospectus, there are certain outstanding legal proceedings involving our Company, Promoters, Subsidiaries and certain of our Directors pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments and which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company, Promoters, Subsidiaries and Directors, as disclosed in "*Outstanding Litigation and Other Material Developments*" on page 424 in terms of the SEBI ICDR Regulations as of the date of this Red Herring Prospectus is provided below.

(*₹ in million*)

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation#	Aggregate amount involved* (₹ in million)
Company						
By the Company	NIL	NIL	NIL	-	NIL	NIL
Against the Company	NIL	1	5	-	NIL	0.61
Directors**						
By the Directors***	2	NIL	NIL	-	1	8.86
Against the Directors	NIL	6	7	-	NIL	110.32
Promoters						
By the Promoters	1	NIL	NIL	NIL	NIL	NIL
Against the Promoters	NIL	NIL	7	NIL	NIL	NIL
Subsidiaries						
By the	22	NIL	NIL	-	NIL	12.40

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by SEBI or Stock Exchanges against our Promoters in the last five years, including outstanding action	Material civil litigation[#]	Aggregate amount involved* (₹ in million)
Subsidiaries						
Against the Subsidiaries	20	35	NIL	-	NIL	1,997.54

 # Determined in accordance with the Materiality Policy.
**To the extent quantifiable.*
*** Including Directors who are Promoters of our Company.*
**** Amounts for proceedings arising from the same grounds have been combined*

For further information, see "*Outstanding Litigation and Other Material Developments*" on page 424.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no additional liability will arise out of these proceedings. Our Company is in the process of litigating these matters, and based on the assessment in accordance with applicable accounting standard, our Company has presently not made provision for any of the pending legal proceedings. Further, such proceedings could divert management's time and attention, and consume financial resources in their defence.

In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought in future by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

31. We face foreign exchange risks that could adversely affect our results of operations as a portion of our revenue is from exports and a portion of our expenditure is from imports of raw material, both of which are denominated in foreign currencies.

We have material exposure to foreign exchange related risks since a portion of our revenue from operations are in foreign currency, including the US Dollar and the Euro. Similarly, a portion of our expenses, including cost of any imported raw material and other operating expenses as well as certain of our capital expenditure on imported equipment are denominated in currencies other than Indian Rupees. We source certain APIs and raw materials from third party international suppliers, including vendors in China and the Netherlands.

The tables set forth below provides our imported raw materials on a restated consolidated and pro forma consolidated basis as a percentage of total raw materials purchases for the periods indicated.

Restated Consolidated Financial Information				
Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2022**	**For the year ended March 31, 2023**	**For the three months ended June 30, 2023**
Imported raw materials as a percentage of total raw materials purchases	13.68%	13.64%	8.20%	1.15%

Pro Forma Consolidated Financial Information (1)	
Particulars	**For the year ended March 31, 2023**
Imported raw materials as a percentage of total raw materials purchases	9.09%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

The exchange rate between the Indian Rupee and foreign currencies, primarily the USD, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future.

For details of a sensitivity analysis for a change in foreign currency rates, see "*Restated Consolidated Financial Information – Note 45 (a) – Financial risk management*" on page 317.

32. Our contingent liabilities on a restated consolidated basis could materially and adversely affect our business, results of operations and financial condition.

As of June 30, 2023, our contingent liabilities as per our Restated Consolidated Financial Information consisted of income tax matters of ₹0.60 million and guarantee outstanding of ₹2,450.00 million, totalling to ₹2,450.60 million. Our contingent liabilities as at March 31, 2021, March 31, 2022, March 31, 2023, and June 30, 2023, as determined in accordance with Ind AS 37, as per the Restated Consolidated Financial Information, are described below.

(₹ in million)

Contingent liabilities	**As at March 31,**			**As at June 30, 2023**
	2021	**2022**	**2023**	
Income tax matters	0.60	0.71	0.60	0.60
Guarantee outstanding	-	-	1,000.00	2,450.00
Total	0.60	0.71	1,000.60	2,450.60

Most of the liabilities have been incurred in the normal course of business. If these contingent liabilities were to fully materialize or materialize at a level higher than we expect, it may materially and adversely impact our business, results of operations and financial condition. If we are unable to recover payment from our customers in respect of the commitments that we are called upon to fulfil, our business, results of operations and financial condition may be materially and adversely impacted. For further information, see "*Restated Consolidated Financial Information – Note 47(i) – Contingent liabilities*" on page 320.

33. If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. Further, if our products were found to be infringing on the intellectual property rights of a third-party, we could be required to cease selling the infringing products, causing us to lose future sales revenue from such products and face substantial liabilities for patent infringement.

We rely on a combination of trademarks, trade secrets, and contractual restrictions to protect our intellectual property. We do not own any patents or copyrights.

As of the date of this Red Herring Prospectus, we have 215 registered trademarks in India and 58 pending trademark applications by our Subsidiaries. The application for a trademark for our corporate logo was made on March 15, 2022, with the Registrar of TradeMarks. We were notified on May 12, 2022, that our application received objection on the basis that there are four identical or similar marks for which earlier applications have been made. We filed our reply with the Registrar of Trade Marks on May 13, 2022 submitting that our applicant mark and logo (including artistic work) are entirely different from the cited marks. We are waiting further response from the Registrar of Trade Marks. For further information, see *"Government and Other Approvals"* on page 441. Further, our pending trademark applications may be subject to governmental or third party objection, which could prevent the maintenance or issuance of the same.

We seek to launch generic pharmaceutical products either where patent protection or other regulatory exclusivity of equivalent branded products have expired, where patents have been declared invalid or where products do not infringe on the patents of others. However, there may be certain situations in which the products we manufacture or sell infringe intellectual property rights of others that could subject us to potential claims of intellectual property infringement. The manufacture, use and sale of generic versions of products has been subject to substantial litigation in the pharmaceutical industry which mostly relate to the validity and infringement of patents or proprietary rights of third parties. For example, a trademark infringement case has been filed by Linux Laboratories Private Limited wherein the trademark "EPITIRA" used by UML has been alleged to be infringing the trademark "EPITRA" used by Linux Laboratories Private Limited. We may also have to change the brand name used for our products and expend monies in the registering and marketing of a new and alternative brand names for the same products. As a result, we may lose market share and suffer a decline in our revenue and net earnings if we cannot successfully defend one or more trademarks. We do not believe that any of our products infringe the valid intellectual property rights of third parties. However, we may be unaware of intellectual property rights of others that may cover some of our products or services. In that event, we may also be susceptible to claims from third parties asserting infringement and other related claims. For example, a trademark infringement case has been filed by Cedar Properties & Trading LLP & others against our customer Wallace Pharmaceuticals for using the trademark "DROTAWAL" as infringement of the registered Trademark "DROTIN" used by Cedar

Properties & Trading LLP. We have been made a party to the claim as manufacturer of this product.

The code of conduct for our staffs and officers has strict confidentiality requirements. However, these agreements may not effectively prevent unauthorized use or disclosure of our confidential information, our intellectual property including our proprietary products, technology, systems and processes and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information or infringement of our intellectual property. If our customer's intellectual property rights are misappropriated by our employees in violation of any applicable confidentiality agreements, our customers may seek damages and compensation from us.

34. We may not be able to effectively integrate the businesses that we acquire.

Effective as of March 31, 2021, our Company acquired the assets and liabilities of the business of Innova Partnership as a going concern through a slump sale from persons including our Promoters. The total consideration paid by our Company for the business of Innova Partnership was ₹542.50 million. Effective as of December 31, 2021, our Company acquired UML as a wholly-owned subsidiary from persons including our Promoters for a total purchase consideration of ₹600.00 million. We acquired the assets and liabilities of the Innova Partnership and acquired UML (both acquisitions, the "Acquisition Transactions") to take advantage of the manufacturing and economic synergies with our Company. For further details, please see "*History and Certain Corporate Matters – Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on page 225.

Further, we acquired Sharon, a listed entity pursuant to CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. We had Nil revenue from Sharon on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and for the three months ended June 30, 2023. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023. For further information, see "*Our Business - Acquisition of Sharon Bio-Medicine Limited*" on page 197 of this Red Herring Prospectus.

As part of our strategy, we may consider making strategic acquisitions of other CDMO or generic drug manufacturing companies or other companies whose resources, capabilities and strategies are complementary to and are likely to increase our product portfolio and expand our distribution network. We may also enter into strategic alliances or joint ventures to explore such opportunities or make significant investments in entities that we do not control to capitalize on such business opportunities, and there can be no assurance that such strategic alliances, joint ventures or investments will be successful. It is also possible that we may not identify suitable acquisition or investment candidates, or that if we do identify suitable candidates, we may not complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable acquisition targets or investments or the inability to complete such transactions may adversely affect our competitiveness or our growth prospects. Further, we may not be able to effectively integrate the businesses that we acquire or we may experience difficulties arising from coordinating and consolidating corporate and administrative functions, including integration of internal controls and procedures with our ongoing operations. A failure to successfully integrate an acquired business or inability to realize the anticipated benefits of acquisition could adversely affect our existing and future results of operations and financial condition.

35. Our Subsidiary Sharon is currently suspended from trading in the Stock Exchanges. Further, Sharon is yet to receive approval to delist its shares from the Stock Exchanges as part of the corporate insolvency resolution plan.

Sharon was listed on the Stock Exchanges and was suspended from trading on the BSE pursuant to a letter dated March 19, 2019 from BSE, and on the NSE pursuant to a letter dated March 25, 2019 from NSE. This was on account of a reduction of share capital undertaken by Sharon as per its CIRP resolution plan approved at the time by the hon'ble National Company Law Tribunal, Mumbai ("**NCLT**") pursuant to its order dated February 28, 2018 ("**Previous Resolution Plan**"). While the Previous Resolution Plan was approved, the applicant was unable to implement the resolution plan on account of certain challenges including failure to furnish the required bank guarantee, among others. Thereafter, our Company submitted a resolution plan dated August 22, 2022 (as modified on October 6, 2022) ("**Resolution Plan**") in relation to the corporate insolvency resolution process involving Sharon. The Resolution Plan was approved by the NCLT pursuant to its order dated May 17, 2023 ("**NCLT Order**") and implementation of the Resolution Plan commenced subsequently.

As part of the order of the NCLT Order, Sharon was directed to delist its shares from the Stock Exchanges in accordance with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("**Delisting Regulations**"). Pursuant to this, while an application dated June 6, 2023 was filed by Sharon with the Stock Exchanges to delist its shares, the final approval from the Stock Exchanges is awaited.

In light of the ongoing CIRP as discussed above, Sharon continues to be suspended from trading on the Stock Exchanges. Also see "*History and Certain Corporate Matters*" on page 220.

36. The cost of implementing new technologies for our operations could be significant and could adversely affect our business, results of operations and financial condition.

Our future success may depend in part on our ability to respond to technological advancements and emerging standards and practices in the pharmaceutical business on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology underpinning our operational platforms, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our services less competitive or attractive. In addition, rapid and frequent changes in technology and market demand can often render existing technologies and equipment obsolete, requiring substantial new capital expenditures or write-down of assets. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs (in comparison to our competitors who are able to successfully implement such technologies) and lead to us being less competitive in terms of our prices or the quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our profitability. Any of the above events may adversely affect our business, results of operations and financial condition.

37. Any inability or delay in launching new generic pharmaceutical products, if pharmaceutical companies or other third parties are successful in limiting the use of generic through their legislative, regulatory and other efforts, including patent extensions, our business, results of operations, and financial condition may be adversely affected.

Pharmaceutical companies have been undertaking efforts, such as: (i) pursuing new patents for existing products that may be granted just before the expiration of earlier patents, which could extend patent protection for additional years or otherwise delay the launch of generics; (ii) selling the brand product as an authorized generic, either by the brand company directly, through an affiliate or by a marketing partner; and (iii) engaging in initiatives to enact legislation that restricts the substitution of some generic drugs, which could have an impact on generic products that we are developing. If pharmaceutical companies or other third parties are successful in limiting the use of generic products through these or other means, introductions of our generic products may be delayed, and our business, results of operations, and financial condition may be adversely affected.

38. If any of our products or products we manufacture for our customers cause, or are perceived to cause, side effects, our business, results of operations and financial condition could be adversely affected.

Our products or products we manufacture for our customers may cause side effects as a result of a number of factors, many of which may be outside our control. Our products or products we manufacture for our customers may also be perceived to cause side effects when misused by consumers or when a conclusive determination as to the cause of the side effects is not obtained or is unobtainable. In addition, our products may be perceived to cause side effects if other pharmaceutical companies' products containing the same or similar APIs, raw materials or delivery technologies as our products cause or are perceived to have caused side effects, or if one or more regulators, determines that products containing the same or similar pharmaceutical ingredients as our products could cause or lead to side effects.

If our products cause, or are perceived to cause, side effects, we may face a number of consequences, including:

- injury or death of patients;
- a fall in the demand for, and sales of, the relevant products;
- the recall or withdrawal of the relevant products;
- withdrawal or cancellation of regulatory approvals for the relevant products or the relevant production facility;
- damage to the brand name of our products and our reputation; and
- exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions.

As a result of these consequences, our business, results of operations and financial condition may be adversely affected.

39. Any surplus production on account of inaccurate forecasting of customer requirements 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.

The following tables sets forth our inventories on a restated and pro forma consolidated basis as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023.

(₹ in million)

Restated Consolidated	**As at March 31,**			**As at June 30, 2023**
	2021	**2022**	**2023**	
Inventories	914.45	1,283.86	1,173.16	1,452.28

Pro Forma Consolidated (1)	
Particulars	**For the year ended March 31, 2023**
Inventories	1,563.34

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. In addition, if our products do not achieve widespread consumer acceptance, physician prescribing patterns do not change to include our products, or our customers change their procurement preferences, we may be required to take significant inventory markdowns, or may not be able to sell the products at all, which would affect our business, results of operations and financial condition. Each of our products has a shelf life of a specified number of years and our inability to sell our products prior to their expiry may lead to losses. As such, our inability to accurately forecast demand for our products and 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, distributors or stockist 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. 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.

40. We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not required by Ind AS.

We track certain operational metrics, including non-GAAP metrics such as EBIT, EBITDA, EBITDA Margin, Net Debt, Debt-Equity Ratio, Net Debt/EBITDA Ratio, Return on Equity, PAT Margin, Capital Employed, Return on Capital Employed, Fixed Asset Turnover Ratio, Net Worth, Return on Net Worth and Net Asset Value per Equity Share, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. For more information on the non-GAAP financial measures used in this Red Herring Prospectus, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation — Non-GAAP financial measures*", "*Definitions and Abbreviations*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21, 6, 181 and 356, respectively. Further, these Non-GAAP metrics are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/periods 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. In addition, these non-GAAP metrics are not standardized terms, hence a direct comparison of similarly titled non-GAAP metrics of other companies may not be possible. Further, the non-GAAP metrics may be different from financial measures and statistical information disclosed or followed by other companies in our industry. Accordingly, investors should not place undue reliance on the non-GAAP financial information included in this Red Herring Prospectus.

Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring these metrics. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our business and reputation could be adversely affected.

41. Our Statutory Auditors have included certain CARO statements and comments in our consolidated audited financial statements as at, and for the fiscal years ended, March 31, 2023 and March 31, 2022, and in our standalone audited financial statements as at, and for the fiscal year ended, March 31, 2021.

In addition to the audit opinion on the consolidated financial statements, the auditors have commented upon the matters included in the Companies (Auditor's Report) Order, 2020 (the "**CARO 2020 Order**") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 in respect of the consolidated audited financial statements as at, and for the fiscal years ended, March 31, 2023 and March 31, 2022, and the auditors have commented upon the matters included in the Companies (Auditor's Report) Order, 2016 (the "**CARO 2016 Order**") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone audited financial statements as at, and for the fiscal year ended, March 31, 2021. Certain statements and comments included in such consolidated audited financial statements in respect of the CARO 2020 Order and in such audited standalone financial statements in respect of the CARO 2016 Order, which in both cases do not require any adjustments in the Restated Consolidated Financial Information, are set forth in "*Restated Consolidated Financial Information – Annexure VII – 3-Material restatement adjustments – Audit Qualifications in Annexure to Auditors Report, which do not require any corrective adjustments in the Restated Financial Information*" on page 326.

42. Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses depending on the insurance policy, which could adversely affect business, results of operations and financial condition.

Our operations are subject to various risks inherent to the pharmaceutical industry and to the sale and maintaining inventory of products, as well as other risks such as theft, robbery, acts of terrorism and other force majeure events. We maintain insurance coverage for anticipated risks which are standard for our type of business and operations, including against material damage to buildings, plant and machinery, furniture, fixtures, fittings, and stocks, transit of commodities, and burglary insurance, directors and officers liability insurance policy for claims made in relation to management liability, company securities, investigation, etc.

The insurance cover on assets of the Company amounts to ₹12,494.26 million as of June 30, 2023, covering 125.09% of the total assets of the Company which were ₹9,988.21 million (excluding intangible assets, goodwill, right-of-use assets and deferred tax assets) as of June 30, 2023. We have not had any past instances where our claims have exceeded our insurance cover. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. While we believe that the insurance coverage that we maintain is in accordance with industry custom, there can be no assurance that 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 material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations and financial condition could be adversely affected. For further details of insurance, see "*Our Business*" on page 181.

43. We outsource packaging of our products to Nugenic Pharma Private Limited which is part of our Promoter Group and that exposes us to conflicts of interest.

We outsource packaging of our products including sourcing packaging material through Nugenic Pharma Private Limited, which is part of our Promoter Group and is also our Group Company, and of which two of our Directors are also directors. In addition, one of our Directors is also on the board of our Group Company, DMS Electronics Private Limited. The transactions we have entered into with, and any future transactions that we may have with these Group Companies, as may be applicable, could potentially involve conflicts of interest which may be detrimental to us. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our business and financial results, including because of potential conflicts of interest or otherwise. Also, see "*Restated Consolidated Financial Information - Note 42 - Related parties*" on page 311.

44. Failure or disruption of our IT, manufacturing automation systems and/or ERP systems may adversely affect our business, results of operations and financial condition.

We have implemented various information technology ("**IT**"), enterprise resource planning ("**ERP**") solutions and quality control laboratory information management system to cover key areas of our operations, R&D, quality control, procurement, dispatch and accounting. We also have various automation systems and software that automate our manufacturing and production. 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, ERP or quality control laboratory information management 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, results of operations and financial condition.

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

Pursuant to certain of our arrangements with our customers, based on customer preferences, we are required to pay the freight costs for the products we sell. In addition, we may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We rely on third party transportation and logistics providers with whom we do not have any long-term contractual arrangements. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time, which could materially and adversely affect our business, results of operations and financial condition.

The tables set forth below provides on a restated and pro forma consolidated basis our freight charges and as a percentage of total expenses for the years and period indicated.

Restated Consolidated Financial Information								
Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	₹ million	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**	**₹ million**	**% of total expenses**
Freight charges	6.27	0.17%	15.64	0.22%	39.45	0.47%	7.05	0.34%

Pro Forma Consolidated (1)		
Particulars	**For the year ended March 31, 2023**	
	₹ million	**% of total expenses**
Freight charges	58.16	0.56%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

We are subject to the risk of increase in freight costs. If we cannot fully offset any increase in freight costs, through increase 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, results of operations and financial condition.

Further, our third party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

46. We do not own certain of the premises of our manufacturing facilities and administration offices.

We do not own the premises of our Registered Office and Corporate Office or the premises of one of our two manufacturing facilities in Baddi, which are occupied by us on a leasehold basis. Pursuant to an agreement for leave and license dated August 25, 2023, we have leased the premises for our Registered Office for a period of 11 months and pursuant to a rent agreement dated May 1, 2023, we have leased the premises for our Corporate Office for a period of 36 months. Further, pursuant to a lease deed dated May 17, 2006, we have leased the premises for one of our manufacturing facilities for a period of 95 years. While the lease agreements for our one of our manufacturing facilities is long term in nature and provides us with an option to renew it, however it also provides the lessor with the right to terminate the lease for non-compliance of the terms of the agreement. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favourable to us, or at all. Failure to identify suitable premises for relocation of existing facilities and offices, if required, may have an adverse effect on our business, results of operations and financial condition.

47. Any downgrade of our debt ratings could adversely affect our business.

As of October 31, 2023, we had total outstanding borrowings of ₹4,811.91 million on a restated consolidated basis. For details, see "*Financial Indebtedness*" beginning on page 422. As per the credit rating letter dated September 27, 2023, we have received the following credit ratings on our debt and credit facilities.

Instrument or Rating Type	Rating Agency	Ratings
Long Term Bank Facilities	CARE Ratings Limited	A- (Negative)
Short Term Bank Facilities	CARE Ratings Limited	A2+

These ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Our credit ratings were suspended for three years due to the non-submission of data to the rating agencies and any such failure to provide required data could again result in the suspension of our credit ratings. Further, there can be no assurance that these ratings will not be revised or changed by the above rating agencies due to various factors. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to raise new capital on a competitive basis.

48. 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 natural gas at a reasonable cost. We procure such utilities from third parties for use at our manufacturing facilities. 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, coal and 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.

49. The availability of counterfeit generic products passed off by others as our products, could adversely affect

our reputation, goodwill and results of operations.

Entities in India and international locations could pass off their own products as our generic products, including counterfeit or pirated products including imitate our brand names, packaging materials or attempt to create look-alike generic drug products. Although no such incidents have happened in the past, any such counterfeits or pirated products could reduce our market share due to replacement of demand for our products and adversely affect our goodwill. Counterfeit products are unsafe or ineffective and can be potentially life-threatening. The proliferation of unauthorized copies of our products, and the time and attention lost in defending claims and complaints about spurious products, could decrease our revenue and have an adverse effect on our reputation, goodwill and results of operations.

50. We currently avail benefits under certain export promotion schemes. Any change in these benefits applicable to us or a delay in disbursement of benefits under such schemes may affect our results of operations.

We currently avail benefits under the Merchandise Exports from India Scheme under the Foreign Trade Policy of India and Excise Duty Drawback, which allow us duty free import of certain inputs used for manufacturing and availing excise duty drawbacks. We benefit from export incentives under other export promotion schemes including schemes in relation to duty drawback paid on import of materials used in manufacture of export goods, RodTep and Advance Authorisation. If these export incentives are withdrawn, or there is a delay in disbursements of benefits under such schemes, our business, results of operations and financial condition may be adversely affected. In addition, our business, results of operations and financial condition may be adversely affected if we are subject to any dispute with the tax authorities in relation to these benefits or in the event, we are unable to comply with the conditions required to be complied with in order to avail ourselves of these benefits. For further information on our tax benefits, see our "*Statement of Possible Special Tax Benefits*" on page 123.

51. Failure to maintain confidential information of our CDMO customers could adversely affect our results of operations or damage our reputation.

Our agreements with our customers contain confidentiality and non-disclosure clauses. As per these agreements, we are required to keep confidential, the know-how and technical specifications, if any, provided to us by these customers. In the event of any breach or alleged breach of our confidentiality agreements with our customers, these customers may terminate their engagements with us or initiate litigation for breach of contract. Moreover, most of these contracts do not contain provisions limiting our liability with respect to breaches of our obligation to keep the information we receive from them confidential. Although we have not had any incidents of breach of our confidentiality agreements in the past, if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. Assertions of misappropriation of confidential information or the misappropriation of intellectual property of our customers against us, if successful, could have a material adverse effect on our business, results of operations and financial condition. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

52. Any inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating. Further, our Company has availed unsecured loans which are repayable on demand.

We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities, term loans and bank guarantees. As of October 31, 2023, we had total outstanding borrowings of ₹4,811.91 million on a restated consolidated basis. Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take prior approval of the lender before carrying out such activities, without which, an event of default may occur under the financing arrangements. For details, see "*Financial Indebtedness*" beginning on page 422.

As on October 31, 2023, our total secured borrowings on a consolidated basis amounted to ₹4,577.01 million, comprising of 95.12% of our total borrowings on a consolidated basis. Our unsecured borrowings from our Promoters amounted to ₹234.90 million, comprising of 4.88% of our total borrowings on a consolidated basis, as on October 31, 2023. Under the terms of our secured borrowings, we are required to create a charge by way of hypothecation on the entire current assets of our Company, together with cash in hand, bank accounts and receivables, and, in our term loans, fixed assets. As these assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings which may adversely affect our business, results of operations and financial condition.

Further, we have also availed unsecured loans from our Promoters in the ordinary course of business, which are repayable on demand. In the event that the lenders seek repayment of any such loan, 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, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For details of the outstanding borrowings of our Company on a consolidated basis as on October 31, 2023, see *"Financial Indebtedness"* on page 422.

53. Our employees, suppliers, distributors and stockists may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of employee, supplier, distributors and stockists' fraud or other misconduct. Misconduct by employees, suppliers, distributors and stockists could include intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, to comply with federal and state healthcare fraud and abuse laws and regulations, or to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. If our employees engage in any such misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business.

54. Our Promoters and certain of our Directors and Key Managerial Personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits in our Company.

Our Promoters, and certain of our Directors and Key Managerial Personnel, while managing the day-to-day operations, may be interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of the Equity Shares held by them in our Company, any dividends, bonuses or other distributions on such Equity Shares and to the extent of payment of interest on loans given to our Company by them. For further details, see "*Our Management – Interest of Directors"* and "*Our Management – Interest of Key Managerial Personnel*" on pages 237 and 250, respectively.

55. One of our Directors is interested in certain entities which are in businesses similar to ours and this may result in conflict of interest with us. Additionally, conflicts of interest may arise out of common business objects among our Company, Subsidiaries and our Group Companies.

As on the date of this Red Herring Prospectus, Shirish Gundopant Belapure, a Non-Executive Independent Director on our Board, is also a director on the board of Albert David Limited, Uniza Lifecare Private Limited, Natural Capsules Limited and Jubilant Pharmova Limited, all of which are involved in manufacturing of pharmaceutical formulations and healthcare products. The entities are involved in business similar to that of our Company, and there can be no assurance that conflicts of interest will not occur between our business and the businesses of such entities, which could have an adverse effect on our business and prospects.

Additionally, certain of our Subsidiaries and Group Companies are engaged in, or authorized to carry out, business similar to that of our Company. Further, certain of our Directors are also on the board of directors or are promoters of such Subsidiaries or Group Companies. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner. Further, due to the conflict of interest between us, or to the extent that competing business operations offered by such Subsidiaries and Group Companies erode our market share, we may not be able to effectively manage any such conflict or competitive pressures and, consequently, our business, results of operation and financial condition may be adversely affected. For further details of our common pursuits with our Group Companies, see "*Group Companies – Common pursuits among Group Companies*" on page 257.

56. There has, in the past, been an instance of non-compliance by our Company under Indian company laws, for which we have not received condonations from the relevant authorities.

We have, in the past, had an instance of non-compliance with applicable Indian company laws by our Company for which we have not received condonations from the relevant authorities. Our Company was, in the past, in non-compliance with the requirement to appoint a company secretary under the Companies Act, 1956, and the Companies Act, 2013. In this regard, our Company has filed an application for compounding before the Registrar of Companies under applicable provisions of the Companies Act, 2013. This application currently remains pending. There can be no assurance that the Registrar of Companies will not take an adverse view in relation to our application and impose penalties on our Company in this regard. For further details, see *"Outstanding Litigation and other Material Developments – Litigation proceedings involving our Company – Compounding applications and condonation of statutory non-compliances"* on page 426.

57. Our Promoters have provided guarantees for loans availed by our Company, UML and Nugenic Pharma Private Limited (our group company), and in the event these guarantees are enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.

Our Promoters have given guarantees in relation to certain borrowings availed by our Company, UML and Nugenic Pharma Private Limited (our Group Company). In the event of default on such borrowings, these guarantees may be invoked by our lenders, thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see "*History and Certain Corporate Matters – Guarantees given by our Promoter Selling Shareholders*" on page 228.

58. After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in our Company.

Currently, our Promoters own an aggregate of 66.83% of our outstanding Equity Shares. Following the completion of the Offer, our Promoters will continue to hold approximately [●]% of our post-Offer equity share capital which will allow them to exercise significant control over the outcome of the matters submitted to our shareholders for approval. For details of their shareholding pre- and post- Offer, see "*Capital Structure - Details of Shareholding of our Promoters and members of the Promoter Group in the Company*" on page 97. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of these shareholders. In addition, our Promoters have the ability to exercise influence over our business, and may cause us take actions that are not in, or may conflict with, our or our other shareholder's best interests, including matters relating to our management and policies and the election of our directors and senior management, the approval of lending and investment policies, revenue budgets, capital expenditure, dividend policy, strategic acquisitions and fund raising activities. The interests of our significant shareholders could conflict with our interests or the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

59. Information relating to the installed manufacturing capacity of our two manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates.

Information relating to the installed capacity and capacity utilization of our two manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by an independent chartered engineer, Parashar & Co., in the calculation of the installed capacity and capacity utilization of our manufacturing facilities.

The installed capacity of the manufacturing units has been calculated by using the equipment manufacturer's rated maximum capacity for an installed equipment and adjusting it for the typical achieved capacity across a wide range of actual processes and batch sizes for any particular dosage type in a sequential line setup. Further, downtime between any batches due to product changeover related equipment cleaning, scheduled breaks, and material loading and unloading were taken into account to calculate the installed capacity during the year or period.

Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that each manufacturing facility operates for 300 days in a year in two daily shifts for installed capacity as notional capacity for capacity utilization. This methodology is consistent with industry practice.

60. We commissioned and purchased the CRISIL Report. This Red Herring Prospectus contains information from the CRISIL Report and such information is subject to inherent risks and limitations.

Certain sections of this Red Herring Prospectus include information based on, or derived from, the CRISIL Report or extracts of the CRISIL Report prepared by CRISIL Research, which is not related to our Company, Directors or Promoters. We have commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Red Herring Prospectus indicates the CRISIL Report as its source. Accordingly, any information in this Red Herring Prospectus derived from, or based on, the CRISIL Report should be read taking into consideration the foregoing.

This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While we have assumed responsibility for the contents of the report and have taken reasonable care in the reproduction of the information, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics and the same may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. Further, the CRISIL Report is not a recommendation to invest / disinvest in any company covered in the CRISIL Report. Accordingly, prospective 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 Offer pursuant to reliance on the information in this Red Herring Prospectus based on, or derived from, the CRISIL Report. You should consult your own advisors and undertake an independent assessment of information in this Red Herring Prospectus based on, or derived from, the CRISIL Report before making any investment decision regarding the Offer. A copy of the CRISIL Report shall be available on the website of our Company at www.innovacaptab.com/investor-relations in compliance with the applicable laws. See "*Industry Overview*" on page 129. For the disclaimers associated with the CRISIL Report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data*" on page 21.

61. We will not receive any proceeds from the Offer for Sale. The Selling Shareholders will receive the net proceeds from the Offer for Sale.

The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholders shall be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses shared by the Selling Shareholders, and our Company will not receive any proceeds from the Offer for Sale.

External Risks

Risks Relating to India

62. A slowdown in economic growth in India could cause our business to suffer. Also, any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.

Our performance and the growth of our business are dependent on the health of the overall Indian economy. Any slowdown or perceived slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, or a decline in India's foreign exchange reserves could negatively affect liquidity, which could adversely affect the Indian economy and our business. In particular, the COVID-19 pandemic caused an economic downturn in India and globally in Fiscal 2020 and Fiscal 2021. Any downturn in the macroeconomic environment in India could also adversely affect our business, financial condition, results of operations and prospects.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

63. If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate thereby reducing our margins.

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

64. Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

If we are unable to successfully anticipate and respond to changing economic and market conditions, our business, results of operations and financial condition and prospects may be adversely affected.

65. Changing laws, rules and regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations.

For instance, the GoI has recently introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020;(c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses. In the absence of any precedents on the subject, the application of these provisions is uncertain and may or may not have an adverse tax impact on us.

Additionally, the GoI has enacted the Digital Personal Data Protection Act, 2023 ("**Data Protection Act**") on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the Data Protection Act.

Furthermore, the manner in which new requirements will be enforced or interpreted can lead to uncertainty and could adversely affect our operations. Further, there can be no guarantee that we will be able to comply with any increased or more stringent regulatory requirements, in part or at all. Failure to comply with such further regulatory requirements could lead to regulatory actions, including penalties, which may have an adverse effect on our business, financial condition, cash flows and results of operations.

66. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business, results of operations and financial condition.

67. A slowdown in our exports due to tariffs and trade barriers and international sanctions could adversely affect our business, financial condition and results of operations.

A significant portion of our revenue is derived from our international business. From time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we operate or seek to sell our products. There can be no assurance that the countries or regions (like the European Community) where we seek to sell our products will not impose trade restrictions on us in future. We may also be prohibited from exporting to certain restricted countries that may be added to a sanctions list maintained by the Government of India or other foreign governments. Any imposition of trade barriers or international sanctions may have an adverse effect on our business, financial condition and results of operations.

68. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information and Pro Forma Condensed Consolidated Financial Information prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus.

Our Restated Consolidated Financial Information have been prepared and presented in accordance with Ind-AS and restated in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI, as amended. Significant differences exist between Ind-AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus including our Restated Consolidated Financial Information. Accordingly, the degree to which the Restated Consolidated Financial Information will provide meaningful information is dependent on the prospective investor's familiarity with Ind-AS, Indian accounting practices, the Companies Act and the SEBI ICDR Regulations, and any reliance by persons not familiar with them should accordingly be limited.

69. The Indian tax regime is currently undergoing substantial changes which could adversely affect our business and the trading price of the Equity Shares.

Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis, and are subject to change, from time to time. The final determination of our tax liability involves interpretation of tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions. We cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

70. Foreign investors are subject to foreign investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.

Under the foreign exchange regulations of India, transfers of shares between non-residents and residents are freely permitted (subject to sectoral norms and other restrictions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Indian 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. We cannot assure investors that any required approval from the RBI or any other Indian government agency can be obtained on any particular terms, or at all. For further details, please see on "*Restrictions on Foreign Ownership of Indian Securities*" on page 487.

71. It may not be possible for investors to enforce any judgment obtained outside India against us, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.

Our Company is a limited liability company incorporated under the laws of India. Our Board of Directors comprises members all of whom are Indian citizens. All of our Key Managerial Personnel are residents of India and majority of the assets of our Company and such persons are located in India. As a result, it may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce against them judgments obtained in courts outside India.

India is not a party to any of the international treaties in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes, among others, the United Kingdom, Singapore, United Arab Emirates and Hong Kong. To be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908. Further, a foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside of India notified as a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions, which do not have reciprocal recognition with India, cannot be executed in India. However, the party in whose favour such final judgment is rendered may bring a new 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 in the same manner as any other suit filed to enforce a civil liability in India. 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 or Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of such a judgment.

Consequently, it may not be possible to enforce any judgment obtained in a foreign court in an Indian court, or effect service of process outside of India, against Indian companies, entities, their directors and executive officers and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

Risks Relating to the Equity Shares Risks Relating to the Equity Shares

72. Currency exchange rate fluctuations may affect the value of the Equity Shares, independent of our operating results.

The exchange rate between the Rupee and other foreign currencies, including the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased the Equity Shares and the value of Indian Rupees may affect the value of the investment in the Equity Shares, including foreign currency equivalent of the proceeds of sale of Equity Shares, and foreign currency equivalent of cash dividends, if any. You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, the Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyse its value based on the relevant foreign currency equivalent of the Company's results of operations and financial condition.

73. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" on page 116, and may not be indicative of the market price for the Equity Shares after the Offer. Additionally, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Book Running Lead Managers is below their respective issue price. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Managers* " on page 452.

The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop, or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

74. We cannot assure payment of dividends on the Equity Shares in the future.

The dividend distribution policy of our Company was adopted pursuant to the resolution of our Board dated April 1, 2022 ("**Dividend Policy**"), but have not declared dividends on our Equity Shares during the last three Fiscal Years or during the three months ended June 30, 2023. Our ability to pay dividends in the future will depend upon our dividend policy, and the restrictive covenants under our current or future loan or financing documents. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and business prospects. We may also decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details, see "*Dividend Policy*" on page 259.

75. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, STT paid, the quantum of gains and any available treaty relief. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. The capital gains tax applicable at the time of sale of equity shares, on a stock exchange or off-market sale, is subject to amendments from time to time.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Additionally, the Finance Act does not require DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after

March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

76. 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, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and 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 Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, or such other time period as required under the applicable laws, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in macro conditions, our business, results of operation 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 limit the Bidders' ability to sell the Equity Shares Allotted or cause the trading price of the Equity Shares to decline on listing.

77. There is no guarantee that our Equity Shares will be listed on the BSE and NSE in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under the UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

78. We may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges which may adversely affect trading price of our Equity Shares.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

On listing, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Offer due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are subject to such pre-emptive surveillance measures implemented by any of 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.

79. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian

law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India and having share capital must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the 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 the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. To the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of your ownership position and their proportional interests in our Company would be reduced.

80. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute holders' shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares.

81. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law. Further, rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Although the SEBI Takeover Regulations have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated.

Shareholders' rights under Indian law and our Articles of Association may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face more challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

SECTION IV – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares[(1)]	Up to [●] Equity Shares, aggregating up to ₹[●] million
of which:	
(i) Fresh Issue[(1)^]	Up to [●] Equity Shares, aggregating up to ₹3,200.00 million
(ii) Offer for Sale [(2)]	Up to 5,580,357 Equity Shares, aggregating up to ₹[●] million
The Offer comprises of:	
A) QIB Portion [(3)(4)]	Not more than [●] Equity Shares
of which:	
(i) Anchor Investor Portion	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)	Up to [●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	Up to [●] Equity Shares
B) Non-Institutional Portion [(5)(6)]	Not less than [●] Equity Shares
C) Retail Portion [(5)]	Not less than [●] Equity Shares
Pre- and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Red Herring Prospectus)	50,082,072 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 103 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Notes:

^ *Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement aggregating to ₹800.00 million. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.*

(1) *The Offer has been authorized by a resolution of our Board dated June 19, 2022, and the Fresh Issue has been authorized by a special resolution of our Shareholders dated June 24, 2022. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, approved the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 445.*

(3) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, 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, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer 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 QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 467.*

(4) *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. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made: (a) first towards, such number of Offered Shares offered by Gian Parkash Aggarwal that would result in the post-Offer shareholding of Gian Parkash Aggarwal to be not more than 24.90%; (b) next towards, the balance Fresh Issue; and (c) finally, towards the sale of the balance Offered Shares.*

(5) *Allocation to all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer 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. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 467.*

(6) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 462 and 467, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 458.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Consolidated Financial Information and Pro Forma Condensed Consolidated Financial Information. The summary financial information presented below may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with "Restated Consolidated Financial Information", including the notes and annexures thereto, on page 260 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 356.

Summary derived from our Restated Consolidated Financial Information

Restated consolidated statement of assets and liabilities

(in ₹ million)

Particulars	As at			
	June 30, 2023	**March 31, 2023**	**March 31, 2022**	**March 31, 2021**
Assets				
Non-current assets				
Property, plant and equipment	2,900.79	1,501.06	1,565.60	763.59
Right-of-use assets	441.60	153.04	93.28	23.37
Capital work-in-progress	348.33	215.43	0.31	72.64
Goodwill	166.94	166.94	166.94	-
Other intangible assets	9.42	7.73	4.53	4.44
Financial assets				
(i) Investments	0.00	0.00	0.00	0.00
(ii) Loans	5.17	4.78	2.19	-
(iii) Other financial assets	26.23	5.59	7.75	34.95
Deferred tax assets (net)	255.41	1.20	2.20	-
Income tax assets (net)	7.36	7.27	40.26	13.32
Other non-current assets	720.44	556.43	81.18	79.23
Total non-current assets	**4,881.69**	**2,619.47**	**1,964.24**	**991.54**
Current assets				
Inventories	1,452.28	1,173.16	1,283.86	914.45
Financial assets				
(i) Trade receivables	3,032.75	2,652.18	2,126.86	1,385.53
(ii) Cash and cash equivalents	324.14	35.25	1.52	47.95
(iii) Bank balances other than (ii) above	509.85	153.50	22.87	70.99
(iv) Loans	6.13	10.11	2.97	4.65
(v) Other financial assets	101.96	71.94	43.02	22.23
Other current assets	552.78	328.53	309.41	258.82
Total current assets	**5,979.89**	**4,424.67**	**3,790.51**	**2,704.62**
Total assets	**10,861.58**	**7,044.14**	**5,754.75**	**3,696.16**
Equity and liabilities				
Equity				
Equity share capital	480.00	480.00	120.00	120.00
Other equity	3,175.06	2,285.06	1,966.06	1,328.21
Total equity	**3,655.06**	**2,765.06**	**2,086.06**	**1,448.21**
Liabilities				
Non- current liabilities				
Financial liabilities				
- Borrowings	2,956.83	1,341.77	673.52	60.00
- Lease liabilities	12.10	13.84	5.90	3.53
- Other financial liabilities	95.81	78.94	-	-
Provisions	104.54	28.97	22.66	12.34
Deferred tax liabilities (net)	46.94	39.21	20.57	19.26
Other non-current liabilities	-	0.85	0.85	1.29
Total non-current liabilities	**3,216.22**	**1,503.58**	**723.50**	**96.42**

Particulars	As at			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Current liabilities				
Financial liabilities				
(i) Borrowings	1,462.17	1,010.15	1,308.30	390.26
(ii) Lease liabilities	6.67	3.96	3.96	1.18
(iii) Trade payables	-	-	-	-
-total outstanding dues of micro and small enterprises	23.70	5.73	14.31	34.82
-total outstanding dues of creditors other than micro and small enterprises	1,939.78	1,579.10	1,433.73	1,087.51
(iv) Other financial liabilities	315.35	114.63	93.26	582.31
Other current liabilities	181.14	56.10	78.46	50.11
Provisions	26.73	5.83	3.50	5.34
Current tax liabilities (net)	34.76	-	9.67	-
Total current liabilities	**3,990.30**	**2,775.50**	**2,945.19**	**2,151.53**
Total liabilities	**7,206.52**	**4,279.08**	**3,668.69**	**2,247.95**
Total equity and liabilities	**10,861.58**	**7,044.14**	**5,754.75**	**3,696.16**

Restated consolidated statement of profit and loss

(in ₹ million, unless otherwise specified)

Particulars	For the year / period ended			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	2,332.43	9,263.80	8,005.26	4,106.62
Other income	11.25	91.98	28.83	13.71
Total income (I + II)	**2,343.68**	**9,355.78**	**8,034.09**	**4,120.33**
Expenses				
Cost of materials consumed	1,663.98	6,466.06	5,736.37	3,014.60
Purchase of stock-in-trade	81.40	447.91	387.80	75.99
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(79.97)	1.65	54.89	16.35
Employee benefits expense	148.87	547.97	404.59	223.34
Finance costs	50.31	199.73	56.80	39.27
Depreciation and amortization expense	27.94	110.77	75.03	55.86
Other expenses	205.16	663.74	461.41	231.48
Total expenses (IV)	**2,097.69**	**8,437.83**	**7,176.89**	**3,656.89**
Profit before tax (III-IV)	**245.99**	**917.95**	**857.20**	**463.44**
Tax expense:				
Current tax	68.65	218.60	218.15	114.98
Deferred tax	1.41	19.81	(0.48)	3.46
Total tax expense	**70.06**	**238.41**	**217.67**	**118.44**
Profit for the period / year (V-VI)	**175.93**	**679.54**	**639.53**	**345.00**
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss	-	-	-	-
Remeasurement of defined benefit obligation	2.83	(0.72)	(2.25)	(1.03)
Income tax relating to items that will not be reclassified to profit or loss	(0.71)	0.18	0.57	0.26
Total other comprehensive (loss) for the period / year (net of tax)	**2.12**	**(0.54)**	**(1.68)**	**(0.77)**
Total comprehensive income for the period / year (VII+VIII)	**178.05**	**679.00**	**637.85**	**344.23**
Earnings per equity share				
Basic and diluted [nominal value of INR 10 per share]	3.67	14.16	13.32	7.19

Restated consolidated statement of cash flows

(in ₹ million)

Particulars	For the year / period ended			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash flows from operating activities				
Profit before tax for the period / year	**245.99**	**917.95**	**857.20**	**463.44**
Adjustments for:				
Depreciation and amortization expense	27.94	110.77	75.03	55.86
Expected credit loss on trade receivables	0.36	1.19	6.91	4.64
Bad debts written off	0.85	4.36	1.19	1.92
Net (profit) / loss on sale of property, plant and equipment	(0.16)	(2.86)	0.07	(1.50)
Unrealized foreign exchange (gain)	(6.84)	(6.54)	(4.39)	(1.50)
Unrealized profit on inventory	3.16	0.40	18.46	-
Amortisation of government grant	(0.11)	(21.52)	(0.43)	(0.43)
Finance costs	50.31	199.73	56.80	39.27
Transaction costs related to borrowings	0.30	(1.36)	(0.90)	-
Loss on fair valuation of cumulative compulsorily convertible preference shares	16.87	-	-	-
Provision for obsolete inventory	-	1.88	2.57	-
Provision for litigation written back	-	-	(0.99)	-
Gain on fair valuation of cumulative compulsorily convertible preference shares	-	(19.76)	-	-
Loan to employee written off	5.00	-	-	-
Interest income	(4.33)	(7.11)	(1.41)	(2.35)
Operating cash flows before working capital changes	**339.34**	**1,177.13**	**1,010.11**	**559.35**
Working capital adjustments				
Decrease / (increase) in inventories	22.87	108.42	(114.31)	(44.10)
(Increase) in trade receivables	(84.29)	(524.33)	(178.87)	(74.21)
Increase in trade payables	201.60	136.69	125.13	98.75
(Increase) in loans	(1.41)	(9.73)	(0.37)	(2.01)
(Increase) / decrease in other financial assets	(17.90)	(24.79)	4.24	(7.73)
Decrease / (increase) in other current assets	3.42	(19.12)	(2.17)	(2.81)
Decrease / (increase) in other non-current assets	0.18	(0.27)	(8.34)	-
Increase / (decrease) in other current liabilities	31.42	(0.84)	(56.43)	21.25
Increase / (decrease) in other financial liabilities	11.31	15.44	12.96	(4.14)
Increase in provisions	2.76	7.93	5.45	3.63
Cash generated from operating activities	**509.30**	**866.53**	**797.40**	**547.98**
Income tax paid (net)	(35.38)	(195.29)	(208.42)	(132.32)
Net cash generated from operating activities (A)	**473.92**	**671.24**	**588.98**	**415.66**
Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	(297.91)	(789.91)	(798.83)	(187.33)
Proceeds from sale of property, plant and equipment	0.76	7.39	0.84	2.86
Interest income received	1.84	4.71	7.51	0.72
Payments made for/cash and cash equivalents on acquisition of business on account of slump sale *	-	-	(542.50)	0.05
Payments made for acquisition of subsidiary (net of cash and cash equivalents acquired) **	(1,648.14)	-	(597.70)	-
Bank deposits made	(254.05)	(153.11)	(21.46)	(12.98)
Proceeds from redemption of bank deposits	-	22.49	70.99	-
Movement in other bank balances	-	-	-	-
Net cash (used in) investing activities (B)	**(2,197.50)**	**(908.43)**	**(1,881.15)**	**(196.68)**

Particulars	For the year / period ended			
	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash flows from financing activities				
Payment of lease liabilities (including interest)	(1.48)	(7.21)	(3.11)	(1.53)
Finance cost paid	(30.88)	(123.55)	(60.00)	(34.76)
Repayments of non-current borrowings	(7.69)	(350.56)	(390.63)	(56.09)
Proceeds from non-current borrowings (other than cumulative compulsorily convertible preference shares)	1,600.20	495.13	1,085.50	-
Proceeds from/ (repayments of) current borrowings	452.32	(242.89)	613.98	(100.98)
Proceeds from issue of cumulative compulsorily convertible preference shares	-	500.00	-	-
Net cash generated from / (used in) financing activities (C)	**2,012.47**	**270.92**	**1,245.74**	**(193.36)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**288.89**	**33.73**	**(46.43)**	**25.62**
Cash and cash equivalents at the beginning of the period / year	35.25	1.52	47.95	22.33
Cash and cash equivalents at the end of the period / year	**324.14**	**35.25**	**1.52**	**47.95**

Summary derived from our Pro Forma Condensed Consolidated Financial Information

The Pro Forma Condensed Consolidated Financial Information has been prepared to illustrate the impact of the acquisition of Sharon Bio-Medicine Limited by our Company on the pro forma condensed consolidated statement of profit and loss as if the above transaction occurred immediately before the start of Fiscal 2023, and the pro forma condensed consolidated balance sheet as if the above transaction occurred as at March 31, 2023. For further details, see "*History and Certain Corporate Matters – Details regarding material acquisition or divestment of business or undertakings in the last 10 years – Acquisition of Sharon Bio-Medicine Limited by our Subsidiary Univentis Medicare Limited*" on page 226, and "*Risk Factors – Our Restated Consolidated Financial Information are not comparable on a period-to-period basis and to any future financial results that we may prepare.*" on page 33.

Pro forma condensed consolidated statement of assets and liabilities

(in ₹ million)

Particulars	As at March 31, 2023
Assets	
Non-current assets	
Property, plant and equipment	2,916.04
Right-of-use assets	445.35
Capital work-in-progress	217.44
Goodwill	166.94
Other intangible assets	9.56
Financial assets	
(i) Investments	0.00
(ii) Loans	4.78
(iii) Other financial assets	22.70
Deferred tax assets (net)	219.39
Income tax assets (net)	7.27
Other non-current assets	561.71
Total non-current assets	4,571.18
Current assets	
Inventories	1,563.34
Financial assets	-
(i) Trade receivables	2,913.03
(ii) Cash and cash equivalents	132.94
(iii) Bank balances other than (ii) above	393.63
(iv) Loans	10.11
(v) Other financial assets	109.38
Other current assets	493.54
Total current assets	5,615.97
Total assets	10,187.15
Equity and liabilities	
Equity	
Equity share capital	480.00
Other equity	2,775.82
Total equity	3,255.82
Liabilities	
Non- current liabilities	
Financial liabilities	
(i) Borrowings	2,791.81
(ii) Lease liabilities	13.84
(iii) Other financial liabilities	78.94
Provisions	91.89
Deferred tax liabilities (net)	39.21
Other non-current liabilities	0.85
Total non-current liabilities	3,016.54
Current liabilities	
Financial liabilities	

Particulars	As at March 31, 2023
(i) Borrowings	1,514.15
(ii) Lease liabilities	7.94
(iii) Trade payables	
- total outstanding dues of micro and small enterprises	19.24
- total outstanding dues of creditors other than micro and small enterprises	1,709.80
(iv) Other financial liabilities	477.09
Other current liabilities	155.15
Provisions	31.42
Current tax liabilities (net)	-
Total current liabilities	3,914.79
Total liabilities	6,931.33
Total equity and liabilities	10,187.15

Pro forma condensed consolidated statement of profit and loss

(in ₹ million, unless otherwise specified)

Particulars	For the year ended March 31, 2023
Revenue from operations	11,185.96
Other income	679.48
Total income (I + II)	**11,865.44**
Expenses	
Cost of materials consumed	7,377.66
Purchase of stock-in-trade	447.91
Changes in inventories of finished goods, work-in-progress and stock-in-trade	43.62
Employee benefits expense	880.90
Finance costs	365.59
Depreciation and amortization expense	197.13
Other expenses	1,142.60
Total expenses (IV)	**10,455.41**
Profit before tax (III-IV)	**1,410.03**
Tax expense:	
Current tax	218.60
Deferred tax	180.23
Total tax expense (VI)	**398.83**
Profit for the year (V-VI)	**1,011.20**
Other comprehensive income/(loss)	
Items that will not be reclassified to profit or loss	
Remeasurement of defined benefit obligation	3.06
Income tax relating to items that will not be reclassified to profit or loss	1.47
Total other comprehensive (loss)/income for the year (net of tax)	**4.53**
Total comprehensive income for the year (VII+VIII)	**1,015.73**
Earnings per equity share	
Basic and diluted [nominal value of INR 10 per share]	21.07

GENERAL INFORMATION

Our Company was incorporated in Mumbai, Maharashtra, as 'Harun Health Care Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 3, 2005, issued by the RoC. Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on December 26, 2009, the name of our Company was changed from 'Harun Health Care Private Limited' to 'Innova Captab Private Limited', and consequently, a fresh certificate of incorporation dated February 2, 2010, was issued by the RoC to our Company. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on July 12, 2018, and consequently, the name of our Company was changed to 'Innova Captab Limited', and a fresh certificate of incorporation dated July 26, 2018, was issued by the RoC to our Company.

For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 220.

Registered Office and Corporate Office of our Company

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

Innova Captab Limited
601, Proxima, Plot No. 19
Sector 30 A, Vashi, Navi Mumbai
Maharashtra 400 705, India
Telephone: +91 22 2564 2095
Website: www.innovacaptab.com

The address of our Corporate Office is as follows:

Innova Captab Limited
Second Floor, SCO No. 301
Sector 9, Panchkula
Haryana 134 109, India

Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	150371
Corporate Identity Number	U24246MH2005PLC150371

The Registrar of Companies

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

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
Maharashtra, India

Board of Directors

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

Name and Designation	DIN	Address
Manoj Kumar Lohariwala *Chairman and Whole-time Director*	00144656	707, Sector-6, Panchkula, Haryana 134 109, India
Vinay Kumar Lohariwala *Managing Director*	00144700	227, Sector 6, Panchkula, Haryana 134 109, India
Jayant Vasudeo Rao *Whole-time Director*	03627850	Plot No. 146, Phase 2, District – Solan, Nalagarh, Himachal Pradesh 174 101, India

Name and Designation	DIN	Address
Archit Aggarwal *Non-Executive Director*	08127356	E-873, Saraswati Vihar Pitampura, North West Delhi, Delhi 110 034, India
Sudhir Kumar Bassi *Non-Executive Independent Director*	07819617	A1304 Oberoi Exquisite, Aba Karmarkar Marg, Mumbai, Maharashtra 400 063, India
Shirish Gundopant Belapure *Non-Executive Independent Director*	02219458	3, Amramanjari, Gala Gymkhana Road, Opp. Chitvan Plots, near Vasant Bahar Society, Daskroi, Bopal, Ahmedabad, Gujarat 380 058, India
Priyanka Dixit Sibal *Non-Executive Independent Director*	06578720	Flat No 101, First Floor, Alaknanda Co-op Group Housing Society Ltd., Plot GH 45, Sector 56, Gurgaon, Haryana 122 001, India
Mahender Korthiwada *Non-Executive Independent Director*	09558992	A/504, Carona Dosti Imperia, Ghodbandar Road, Manpada, Thane, Mumbai, Maharashtra 400 610 India

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 230.

Company Secretary and Compliance Officer

Neeharika Shukla is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Neeharika Shukla
Second Floor, SCO No. 301
Sector 9, Panchkula
Haryana 134 109, India
Telephone: +91 172 4194500
Email: investors@innovacaptab.com

Registrar to the Offer

KFin Technologies Limited
Selenium, Tower B, Plot No – 31 and 32, Financial District
Nanakramguda, Serilingampally
Hyderabad, Rangareddi 500 032
Telangana, India
Telephone: + 91 40 6716 2222
Email: innovacaptab.ipo@kfintech.com
Investor grievance email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No: INR000000221

Book Running Lead Managers

ICICI Securities Limited
ICICI Venture House
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: +91 22 6807 7100
Email: innova.ipo@icicisecurities.com
Investor grievance email:
customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Ashik Joisar / Harsh Thakkar
SEBI Registration No: INM000011179

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Maharashtra, India
Telephone: + 91 22 6630 3030
Email: innova.ipo@jmfl.com
Investor grievance email:
grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact person: Prachee Dhuri
SEBI Registration No: INM000010361

Syndicate Member

JM Financial Services Limited
Ground Floor, 2,3&4
Kamanwala Chambers
Sir P.M. Road, Fort
Mumbai 400 001
Maharashtra, India
Telephone: +91 22 6136 3400
Email: tn.kumar@jmfl.com / sona.verghese@jmfl.com
Website: www.jmfinancialservices.in
Contact Person: T N Kumar / Sona Verghese

Inter-se allocation of responsibilities of the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, positioning strategy and due diligence of the Company including its operations/management/ business plans/legal etc. drafting, design and finalizing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus and of statutory / newspaper advertisements including a memorandum containing salient features of the prospectus. The BRLMs shall ensure compliance with SEBI ICDR Regulations and stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI and RoC filings and follow up and coordination till final approval from all regulatory authorities.	I-Sec, JM Financial	I-Sec
2.	Drafting and approval of statutory advertisements	I-Sec, JM Financial	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	I-Sec, JM Financial	JM Financial
4.	Coordination and finalization of industry report and Industry Overview Section to be included in Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus	I-Sec, JM Financial	I-Sec
5.	Appointment of Registrar to the Offer, advertising agency and printer to the Offer including co-ordination for their agreements.	I-Sec, JM Financial	I-Sec
6.	Appointment of all other intermediaries and including co-ordination for all other agreements	I-Sec, JM Financial	I-Sec
7.	Preparation of road show marketing presentation and frequently asked questions	I-Sec, JM Financial	JM Financial
8.	International Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	I-Sec, JM Financial	JM Financial
9.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	I-Sec, JM Financial	I-Sec
10.	Retail marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget;	I-Sec, JM Financial	I-Sec

	• Finalizing media, marketing and public relations strategy; • Finalizing centres for holding conferences for brokers, etc.; • Finalizing collection centres; • Arranging for selection of underwriters and underwriting agreement; and • Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material		
11.	Non-institutional marketing of the Offer, which will cover, inter alia: • Finalizing media, marketing and public relations strategy; and • Finalizing centres for holding conferences for brokers, etc.	I-Sec, JM Financial	JM Financial
12.	Managing the book and finalization of pricing in consultation with the Company and the Selling Shareholders.	I-Sec, JM Financial	JM Financial
13.	Managing anchor book related activities and submission of letters to regulators post completion of anchor allocation and coordination with Stock Exchanges for Book Building Process, filing of letters including for software, bidding terminals, mock trading and Anchor Investor intimation, and payment of 1% security deposit to DSE.	I-Sec, JM Financial	JM Financial
14.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with registrar, SCSBs and banks, unblocking of application monies, intimation of Allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, finalisation of the Basis of Allotment or weeding out of multiple applications, finalization of trading, dealing and listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transaction tax ("**STT**") on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post-Offer report to SEBI.	I-Sec, JM Financial	JM Financial

Legal Counsel to our Company as to Indian Law

Khaitan & Co
Max Towers
7th & 8th Floors
Sector 16B Noida
Gautam Buddh Nagar 201 301
Uttar Pradesh, India
Telephone: +91 120 479 1000

Statutory Auditors to our Company

B S R & Co. LLP, Chartered Accountants

Unit No 505A, 5th Floor, Plot No 178-178A
Industrial Area, Phase – 1
Chandigarh 160 002, India
Email: gmahajan@bsraffiliates.com
Telephone: +91 172 672-3400
ICAI Firm registration number: 101248W/W-100022
Peer review certificate number: 014196

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

Name of statutory auditor	Date of change	Reason
Garg Sanjeev & Associates, Chartered Accountants H. No 270, Sector 44-A Chandigarh 160043 **E-mail:** garg_ca@hotmail.com **Firm registration number:** 011326N **Peer review number: -**	May 5, 2021	Resignation as the statutory auditors of our Company, due to lack of peer review certificate.
B S R & Co. LLP, Chartered Accountants Unit No. A505, 5th Floor, Plot No. 178-179 A, Industrial & Business Park, Phase-1 Chandigarh 160002 **E-mail:** gmahajan@bsraffiliates.com **Firm registration number:** 101248W **Peer review number:** 011748	May 8, 2021	Appointment as the statutory auditors of our Company.

Bankers to our Company

HDFC Bank Limited
Big B Complex, Bypass Road, Sai Road
Baddi, District Solan
Himachal Pradesh 173 205
Telephone: +91 70156 43599 / +91 94633 93333
Email: gaurav.singla2@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Gaurav Singla, Raman Sharma

State Bank of India
SCO No. A 11-14, Big B Complex
Near Rotary Chowk
Baddi, District Solan
Himachal Pradesh 173 205, India
Telephone: +91 98165 01818
Email: rahul.suri@sbi.co.in
Website: www.sbi.co.in
Contact Person: Rahul Suri

The Hongkong and Shanghai Banking Corporation Limited
SCO 1, 2, 3 Sector 9D
Chandigarh, India
Telephone: +91 91670 33069
Email: sumit.malhotra@hsbc.co.in
Website: www.hsbc.co.in
Contact Person: Sumit Malhotra

Yes Bank Ltd
SCO No. 151-152, Sector 9-C
Chandigarh 160 017, India
Telephone: +91 99886 72726
Email: anchal.srivastava@yesbank.in
Website: www.yesbank.com
Contact Person: Anchal Srivastava

Banker(s) to the Offer

Escrow Collection Banks and Sponsor Banks

HDFC Bank Limited
FIG-OPS Department-Lodha
I Think Techno Campus O-3 Level
Next to Kanjurmarg, Railway Station
Kanjurmarg (East) Mumbai 400 042
Maharashtra, India
Telephone: +91 22 3075 2927 / 28 / 2914
Email: Siddharth.Jadhav@hdfcbank.com, eric.bacha@hdfcbank.com, vikas.rahate@hdfcbank.com, tushar.gavankar@hdfcbank.com
Website: www.hdfcbank.com

Contact Person: Siddharth Jadhav, Eric bacha, Vikas Rahate, Tushar Gavankar

ICICI Bank Limited
Capital Market Division
5th Floor, H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Telephone: +91 22 6681 8911 / 23 / 24
Email: ipocmg@icicibank.com
Website: www.icicibank.com
Contact Person: Varun Badai

Public Offer Account Bank and Refund Account Bank

ICICI Bank Limited
Capital Market Division, 163
5th Floor, H.T. Parekh Marg
Backbay Reclamation, Churchgate
Mumbai 400 020
Maharashtra, India
Telephone: +91 22 6681 8921
Email: ipocmg@icicibank.com
Website: www.icicibank.com
Contact Person: Varun Badai

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website 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.

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

Self-Certified Syndicate Banks eligible as Issuer Banks and mobile applications enabled for Unified Payments Interface 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 using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively, as may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate Self-Certified Syndicate Bank Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

Registrar and Share Transfer Agents

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

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Credit Rating

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

Debenture Trustee

As this is an Offer consisting only of Equity Shares, the appointment of a debenture trustee is not required.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity has been appointed in relation to the Offer.

Monitoring Agency

Our Company has, in compliance with Regulation 41 of the SEBI ICDR Regulations, appointed the Monitoring Agency for monitoring the utilisation of the proceeds from the Fresh Issue. The details of the Monitoring Agency are set out below:

CRISIL Ratings Limited
CRISIL House, Central Avenue
Hiranandani Business Park
Powai, Mumbai
Maharashtra, India, 400 076
Telephone: 022 3342 3000
Email: crisilratingdesk@crisil.com

For details in relation to the proposed utilisation of the proceeds from the Fresh Issue, please see "*Objects of the Offer*" on page 103.

Grading of the Offer

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

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

Our Company has received written consent dated December 14, 2023 from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated November 10, 2023, on our Restated Consolidated Financial Information, (ii) report dated September 9, 2023, on our Pro Forma Condensed Consolidated Financial Information, and (iii) report dated December 14, 2023, on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiaries, and included in this Red Herring Prospectus.

Our Company has also received written consent dated December 14, 2023, from N B T and Co, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

Additionally, our Company has also received written consent dated December 14, 2023, from the independent chartered engineer, Parashar & Co., to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate on the details of total installed capacity, production and capacity utilization of our Company, the Innova Partnership and Sharon Bio-Medicine Limited included under "*Our Business - Manufacturing – Capacity, Production and Capacity Utilization"* on page 204 of this Red Herring Prospectus.

Further, our Company has received written consent dated December 14, 2023, from N. Bhasin & Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of their certificate on the product registrations and intellectual property of our Company and our Subsidiaries.

Such consents have not been withdrawn as on the date of this Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Underwriting Agreement

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

(The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)

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

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors, 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 registered as brokers with the Stock Exchange(s). Our Board, 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 proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Member does not fulfil their underwriting obligations.

Filing

A copy of the Draft Red Herring Prospectus has been filed electronically through the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018. Further, a copy of this Red Herring Prospectus will be filed through the SEBI Intermediary Portal at https://sipotal.sebi.gov.in, in accordance with SEBI master circular with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and at 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*" and will also be filed with SEBI at the following address:

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 this Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India**,** and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms, if any, within the Price Band. The Price Band will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and will be advertised in all editions of Financial Express, a widely circulated English national daily newspaper, all editions of Jansatta, a widely circulated Hindi national daily newspaper, and the Mumbai edition of Navshakti, a widely circulated Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid / Offer Opening Date, and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, after the Bid / Offer Closing Date. For details, see "*Offer Procedure*" on page 467.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using the UPI Mechanism. Non-Institutional Bidders with an application size of 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 Member, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For an illustration of the Book Building Process and further details, see "*Terms of the Offer*" and "*Offer Procedure*" on pages 458 and 467, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgement about investment through this process prior to submitting a Bid in the Offer.

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

For further details on the method and procedure for Bidding, see "*Offer Procedure*" on page 467.

CAPITAL STRUCTURE

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

(in ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	64,000,000 equity shares of face value of ₹10 each	640,000,000	-
	2,000,000 preference shares of face value of ₹10 each	20,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	50,082,072 equity shares of face value of ₹10 each	500,820,720	-
C	**PRESENT OFFER**		
	Offer of up to [●] Equity Shares (1)(2)	[●]	[●]
	which includes:		
	Fresh Issue of up to [●] Equity Shares (1)^	[●]	[●]
	Offer for Sale of up to 5,580,357 Equity Shares (2)	5,580,357	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] equity shares of face value of ₹10 each*	[●]	[●]
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer		911,947,536
	After the Offer*		[●]

* *To be updated upon finalization of the Offer Price.*

^ *Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement aggregating to ₹800.00 million. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.*

(1) *The Offer has been authorized by a resolution of our Board dated June 19, 2022, and the Fresh Issue has been authorized by a special resolution of our Shareholders dated June 24, 2022.*

(2) *Each of the Selling Shareholders, severally and not jointly, confirm that their respective portion of the Offered Shares are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each Selling Shareholder has, severally and not jointly, approved the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 445.*

For details of changes to our Company's authorized share capital in the last 10 years, see "*History and Certain Corporate Matters - Amendments to our Memorandum of Association*" on page 220.

Notes to the Capital Structure

1. **Equity share capital history of our Company**

(a) The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Details of allottees	Reason for/nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration	Cumulative no. of equity shares	Cumulative paid-up equity share capital (₹)
January 3, 2005	Subscription to 7,500 equity shares by Muppidathy Sivan Thevar and 2,500 equity shares by Vasanthi M Thevar.	Subscription to the MoA	10,000	100	100	Cash	10,000	1,000,000
March 30, 2009	Allotment of 45,900 equity shares to Muppidathy Sivan Thevar.	Further issue	45,900	100	100	Cash	55,900	5,590,000
January 10, 2011	Allotment of 146,500 equity shares to Manoj Kumar Lohariwala and 97,600 equity shares to Gian Parkash Agarwal.	Further issue	244,100	100	100	Cash	300,000	30,000,000
June 15, 2011	Allotment of 76,000 equity shares to Gian Parkash Agarwal, 54,000 equity shares to Manoj Kumar Lohariwala and 60,000 equity shares to Vinay Kumar Lohariwala.	Further issue	190,000	100	100	Cash	490,000	49,000,000

Date of allotment	Details of allottees	Reason for/nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Form of consideration	Cumulative no. of equity shares	Cumulative paid-up equity share capital (₹)
July 25, 2011	Allotment of 10,000 equity shares to Vinay Kumar Lohariwala.	Further issue	10,000	100	100	Cash	500,000	50,000,000
December 26, 2011	Allotment of 196,000 equity shares to Gian Parkash Agarwal, 154,000 equity shares to Manoj Kumar Lohariwala and 130,000 equity shares to Vinay Kumar Lohariwala.	Further issue	480,000	100	100	Cash	980,000	98,000,000
March 17, 2012	Allotment of 88,000 equity shares to Gian Parkash Agarwal, 88,000 equity shares to Manoj Kumar Lohariwala and 44,000 equity shares to Vinay Kumar Lohariwala.	Further issue	220,000	100	100	Cash	1,200,000	120,000,000
Pursuant to a resolution passed by our Shareholders on April 4, 2022, the equity shares of our Company of face value ₹100 each were sub-divided into equity shares of face value ₹10 each. Pursuant to the corporate action initiated by our Company in this regard, the split of equity shares was effective from April 20, 2022.							12,000,000	120,000,000
April 27, 2022	Allotment of Equity Shares by way of a bonus issue to such holders of Equity Shares of our Company, whose names appeared in the register of members of the Company as on the record date, April 22, 2022, namely Manoj Kumar Lohariwala, Vinay Kumar Lohariwala, Gian Parkash Aggarwal, Vandana Lohariwala, Chavvi Lohariwala, Archit Aggarwal and Veena Devi.	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	36,000,000	10	-	Other than cash (bonus issue)	48,000,000	480,000,000
December 1, 2023	Allotment of 1,412,430 Equity Shares to UTI Multi Opportunities Fund I.	Allotment pursuant to conversion of compulsorily convertible preference shares	1,412,430	10	-	Not applicable(1)	49,412,430	494,124,300
December 3, 2023	Allotment of 334,821 Equity Shares to 360 One Special Opportunities Fund - Series 9	Allotment pursuant to private placement	334,821	10	448	Cash	49,747,251	497,472,510
	Allotment of 334,821 Equity Shares to 360 One Special Opportunities Fund - Series 10	Allotment pursuant to private placement	334,821	10	448	Cash	50,082,072	500,820,720

(1) Cash was paid at the time of allotment of 1,412,430 CCPS to UTI Multi Opportunities Fund I by our Company. Our Company undertook a private placement of 1,412,430 CCPS for cash at a price of ₹354.00 per CCPS (including a premium of ₹344.00) aggregating to ₹500.00 million on July 19, 2022.

(b) ***Equity shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue***

Our Company has not issued any equity shares out of its revaluation reserves. Further, except as set out below, our Company has not issued any equity shares for consideration other than cash or as a bonus issue:

Date of allotment	Reason/nature of allotment	Details of allottees	Issue price per equity share (₹)	No. of equity shares allotted	Face value (₹)	Benefits accrued to our Company
April 27, 2022	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	Allotment of Equity Shares by way of a bonus issue to such holders of Equity Shares of our Company, whose names appeared in the register of members of the Company as on the record date, April 22,	-	36,000,000	10	-

Date of allotment	Reason/nature of allotment	Details of allottees	Issue price per equity share (₹)	No. of equity shares allotted	Face value (₹)	Benefits accrued to our Company
		2022, namely Manoj Kumar Lohariwala, Vinay Kumar Lohariwala, Gian Parkash Aggarwal, Vandana Lohariwala, Chavvi Lohariwala, Archit Aggarwal and Veena Devi.				

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

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

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

The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs after the Bid / Offer Closing Date. Except as disclosed in "*– Notes to the Capital Structure – Equity share capital history of our Company*" on page 92 and except as set out below, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Red Herring Prospectus:

Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement by way of:

(i) a private placement of 1,412,430 CCPS to UTI Multi Opportunities Fund I for cash at a price of ₹354.00 per CCPS (including a premium of ₹344.00) aggregating to ₹500.00 million on July 19, 2022. The CCPS have been converted into 1,412,430 Equity Shares on December 1, 2023; and

(ii) a private placement of 669,642 Equity Shares with 334,821 Equity Shares allotted each to 360 One Special Opportunities Fund - Series 9 and 360 One Special Opportunities Fund - Series 10, for cash at a price of ₹448.00 per Equity Share (including a premium of ₹438.00) aggregating to ₹300.00 million on December 3, 2023.

None of UTI Multi Opportunities Fund I, 360 One Special Opportunities Fund - Series 9 or 360 One Special Opportunities Fund - Series 10 is a member of the Promoter Group.

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

3. **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of 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 voting rights – Class eg: Equity Shares	Class eg: Others	Total	Total as a % of (A+B + C)	Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in Equity Shares (XII) – Number (a)	As a % of total Equity Shares held (b)	Number of Equity Shares pledged or otherwise encumbered (XIII) – Number (a)	As a % of total Equity Shares held (b)	Number of Equity Shares held in dematerialized form (XIV)
(A)	Promoter and Promoter Group	4	33,480,000	-	-	33,480,000	66.85	33,480,000	-	33,480,000	66.85	-	66.85	-	-	-	-	33,480,000
(B)	Public	6	16,602,072	-	-	16,602,072	33.15	16,602,072	-	16,602,072	33.15	-	33.15	-	-	-	-	16,602,072
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	**10**	**50,082,072**	**-**	**-**	**50,082,072**	**100.00**	**50,082,072**	**-**	**50,082,072**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**50,082,072**

4. **Equity Shares held by the Shareholders holding 1% or more of the paid-up Equity Share capital of our Company**

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

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the pre-Offer Equity Share capital
1.	Manoj Kumar Lohariwala	19,036,000	38.01
2.	Gian Parkash Aggarwal	14,512,000	28.98
3.	Vinay Kumar Lohariwala	14,436,000	28.82
4.	UTI Multi Opportunities Fund I	1,412,430	2.82
	Total	**49,396,430**	**98.63**

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

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the Equity Share capital
1.	Manoj Kumar Lohariwala	19,036,000	39.66
2.	Gian Parkash Aggarwal	14,512,000	30.23
3.	Vinay Kumar Lohariwala	14,436,000	30.08
4.	UTI Multi Opportunities Fund I	1,412,430	2.82
	Total	**49,396,430**	**98.63**

Note: *Details as on December 4, 2023, being the date ten days prior to the date of this Red Herring Prospectus.*

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

S. No.	Name of the Shareholder	Number of Equity Shares held	% of the Equity Share capital
1.	Manoj Kumar Lohariwala	19,036,000	39.66
2.	Gian Parkash Aggarwal	14,512,000	30.23
3.	Vinay Kumar Lohariwala	14,436,000	30.08
	Total	**47,984,000**	**99.97**

Note: *Details as on December 14, 2022, being the date one year prior to the date of this Red Herring Prospectus.*

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

S. No.	Name of the Shareholder	Number of equity shares held	% of the equity share capital
1.	Gian Parkash Aggarwal	479,800*	39.98
2.	Manoj Kumar Lohariwala	475,900*	39.66
3.	Vinay Kumar Lohariwala	243,900*	20.33
	Total	**1,199,600***	**99.97**

Note: *Details as on December 14, 2021, being the date two years prior to the date of this Red Herring Prospectus.*
** Equity shares of face value ₹100.*

5. Except for the allotment of Equity Shares pursuant to the Fresh Issue, there will be no further issue of securities whether by way of a 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 Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Further, other than as set out hereinabove, our Company presently does not intend or propose or is under negotiation or consideration to alter its capital structure in such manner until a period of six months from the Bid/Offer Opening Date.

6. As on the date of this Red Herring Prospectus, our Company has a total of 10 Shareholders.

7. **Details of shareholding of our Promoters and members of the Promoter Group in the Company**

(i) ***Equity Shareholding of the Promoters***

As on the date of this Red Herring Prospectus, our Promoters collectively hold 33,472,000 Equity Shares, equivalent to 66.83% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1.	Manoj Kumar Lohariwala	19,036,000	38.01	[●]	[●]
2.	Vinay Kumar Lohariwala	14,436,000	28.82	[●]	[●]
	Total	**33,472,000**	**66.83**	[●]	[●]

** Subject to finalisation of Basis of Allotment*

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

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

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

Date of allotment/ transfer / transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
(A) Manoj Kumar Lohariwala						
June 29, 2009	Transfer from Muppidathy Sivan Thevar	33,500	100	20	0.67	[●]
January 10, 2011	Further issue	146,500	100	100	2.92	[●]
June 15, 2011	Further issue	54,000	100	100	1.08	[●]
December 26, 2011	Further issue	154,000	100	100	3.07	[●]
March 17, 2012	Further issue	88,000	100	100	1.76	[●]
May 31, 2018	Transfer to Vandana Lohariwala	(100)	100	-	(0.00)	[●]
Pursuant to a resolution passed by our Shareholders on April 4, 2022, the equity shares of our Company of face value ₹100 each were sub-divided into equity shares of face value ₹10 each. Pursuant to the corporate action initiated by our Company in this regard, the split of equity shares was effective from April 20, 2022.						
April 27, 2022	Bonus issue	14,277,000	10	-	28.51	[●]
Sub-total (A)		**19,036,000**			**38.01**	**[●]**
(B) Vinay Kumar Lohariwala						
June 15, 2011	Further issue	60,000	100	100	1.20	[●]
July 25, 2011	Further issue	10,000	100	100	0.20	[●]
December 26, 2011	Further issue	130,000	100	100	2.59	[●]
March 17, 2012	Further issue	44,000	100	100	0.88	[●]
May 31, 2018	Transfer to Chhavi Lohariwala	(100)	100	-	(0.00)	[●]
January 18, 2022	Transfer from Gian Parkash Aggarwal	117,000	100	1,666.67	2.34	[●]
Pursuant to a resolution passed by our Shareholders on April 4, 2022, the equity shares of our Company of face value ₹100 each were sub-divided into equity shares of face value ₹10 each. Pursuant to the corporate action initiated by our Company in this regard, the split of equity shares was effective from April 20, 2022.						
April 27, 2022	Bonus issue	10,827,000	10	-	21.62	[●]
Sub-total (B)		**14,436,000**			28.82	[●]
Grand Total (A) + (B)		**33,472,000**			**66.83**	**[●]**

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Red Herring Prospectus, except as disclosed below, and other than our Promoters, none of the members of our Promoter Group hold any Equity Shares in our Company:

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital	
		No. of Equity Shares	% of total Shareholding
1.	Vandana Lohariwala	4,000	0.01
2.	Chhavi Lohariwala	4,000	0.01
	Total	**8,000**	**0.02**

(vii) ***Equity Shareholding of the Selling Shareholders***

Details of the shareholding of the Selling Shareholders in our Company as on the date of this Red Herring Prospectus are as set out below:

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital	
		No. of Equity Shares	% of total Shareholding
1.	Manoj Kumar Lohariwala	19,036,000	38.01
2.	Vinay Kumar Lohariwala	14,436,000	28.82
3.	Gian Parkash Aggarwal	14,512,000	28.98
	Total	**47,984,000**	**95.81**

(viii) Except as disclosed in *"- Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" on page 97, none of the members of the Promoter Group, the Promoters, the Directors of our Company, nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

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

(x) Build-up of the Selling Shareholders' shareholding in our Company

The build-up of the shareholding of our Promoter Selling Shareholders since the incorporation of our Company is set out in "- *Details of shareholding of our Promoters and members of the Promoter Group in the Company - Build-up of the Promoters' shareholding in our Company*" above on page 97. Further, the build-up of the shareholding of Gian Parkash Aggarwal since the incorporation of our Company is set out below:

Date of allotment/ transfer / transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
June 16, 2009	Transfer from Vasanthi Muppidathy Thevar	2,500	100	20	0.05	[●]
	Transfer from Muppidathy Sivan Thevar	19,900	100	20	0.40	[●]
January 10, 2011	Further Allotment	97,600	100	100	1.95	[●]
June 15, 2011	Further Allotment	76,000	100	100	1.52	[●]

Date of allotment/ transfer / transmission	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Issue price/ transfer price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post-Offer equity share capital (%)
December 26, 2011	Further Allotment	196,000	100	100	3.91	[●]
March 17, 2012	Further Allotment	88,000	100	100	1.76	[●]
May 31, 2018	Transfer to Archit Aggarwal	(100)	100	-	(0.00)	[●]
	Transfer to Veena Devi	(100)	100	-	(0.00)	[●]
January 18, 2022	Transfer to Vinay Kumar Lohariwala	(117,000)	100	1,666.67	(2.34)	[●]
Pursuant to a resolution passed by our Shareholders on April 4, 2022, the equity shares of our Company of face value ₹100 each were sub-divided into equity shares of face value ₹10 each. Pursuant to the corporate action initiated by our Company in this regard, the split of equity shares was effective from April 20, 2022.						
April 27, 2022	Bonus issue	10,884,000	10	-	21.73	[●]
Total		**14,512,000**			**28.98**	**[●]**

8. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for eighteen months***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of 18 months as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.

Our Promoters have given consent, pursuant to their letters dated June 28, 2022, to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoters' Contribution from the date of the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment / acquisition of the Equity Shares*	Nature of transaction	No. of Equity Shares allotted / acquired	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in**	Percentage of the post-Offer paid-up capital (%)**	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						[●]	[●]	[●]

* *All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*
** *Subject to finalisation of Basis of Allotment.*
Note: The above details shall be filled in the Prospectus to be filed with the RoC.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year from the date of this Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

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

(iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for six months***

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for 18 months as specified above and Equity Shares offered by the Selling Shareholders as part of the Offer for Sale, other than the shareholding of UTI Multi Opportunities Fund I, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

In terms of Regulation 17 of the SEBI ICDR Regulations, equity shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of allotment, provided that such equity shares shall be locked-in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund of category I or category II or foreign venture capital investor. Further, in the event equity shares have resulted pursuant to conversion of fully paid-up compulsorily convertible securities, the holding period of such convertible securities as well as that of resultant equity shares together shall be considered for the purpose of calculation of six months period and convertible securities shall be deemed to be fully paid-up, if the entire consideration payable thereon has been paid and no further consideration is payable at the time of their conversion.

Accordingly, Equity Shares held by UTI Multi Opportunities Fund I will not be required to be locked-in following the Offer as it is a Category II AIF, registered with SEBI. Also see "*Notes to the Capital Structure - Equity share capital history of our Company*" on page 92.

(iii) ***Lock-in of Equity Shares Allotted to Anchor Investors***

50% of the 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, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(iv) ***Other requirements in respect of lock-in***

(i) 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.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Promoter's Contribution for 18 months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to 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 compliance with provisions of the SEBI Takeover Regulations, as applicable, and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months in accordance with Regulation 16 of the SEBI ICDR Regulations, 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 and compliance with the provisions of the SEBI Takeover Regulations, as applicable, such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired.

9. Our Company, the Directors and the BRLMs have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

10. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

11. As on the date of this Red Herring Prospectus, the BRLMs and their associates (determined as per the definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLMs 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.

12. ***Employee Stock Option Plans***

As on the date of this Red Herring Prospectus, our Company does not have any employee stock option plan.

13. Except for Manoj Kumar Lohariwala who holds 19,036,000 Equity Shares, Vinay Kumar Lohariwala who holds 14,436,000 Equity Shares, and Archit Aggarwal who holds 4,000 Equity Shares, none of the Directors, Key Managerial Personnel or Senior Management of our Company hold any Equity Shares in our Company. For details, see "*Our Management – Shareholding of Directors in our Company*" on page 236.

14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

15. Except for the Promoter Selling Shareholders, who are offering Equity Shares in the Offer for Sale, none of the other members of our Promoter Group will participate in the Offer.

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

17. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of the Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

18. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Selling Shareholders in the Offer for Sale.

19. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

20. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue by our Company and the Offer for Sale by the Selling Shareholders.

Offer for Sale

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale, after deducting their respective portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

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

1. Repayment and / or prepayment in part or in full, of certain outstanding loans of our Company;

2. Investment in our Subsidiary, UML, for repayment and / or prepayment in part or full of outstanding loans availed by UML;

3. Funding our working capital requirements; and

4. General corporate purposes

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

Net Proceeds

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

(₹ in million)

Particulars		Amount*
Gross Proceeds from the Fresh Issue		Up to ₹3,200.00 million
Less:	Estimated Offer related expenses in relation to the Fresh Issue to be borne by our Company**	[●]
Net Proceeds		**[●]**

** To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

*** Other than the listing fees, which shall be borne solely by our Company, our Company and the Selling Shareholders will share the costs and expenses (including all applicable taxes) in connection with the Offer, in proportion to the number of Equity Shares issued and Allotted by our Company pursuant to the Fresh Issue and / or transferred by the Selling Shareholders pursuant to the Offer for Sale. However, expenses relating to the Offer shall be paid by our Company in the first instance and the Selling Shareholders shall, upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, reimburse our Company, directly from the Public Offer Account, for any expenses in relation to the Offer for Sale as paid by our Company on behalf of the Selling Shareholders. It is clarified that, in the event the Offer is not successful or consummated, all expenses in relation to the Offer shall be borne by our Company in accordance with the terms of the Offer Agreement.*

Utilization of Net Proceeds and Schedule of Implementation and Deployment

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

(₹ in million)

Particulars	Amount which will be financed from Net Proceeds(1)	Estimated deployment of Net Proceeds(3)	
		Fiscal 2024	Fiscal 2025
Repayment and / or prepayment, in part or in full, of certain outstanding loans of our Company	1,444.00	1,444.00	-
Investment in our Subsidiary, UML, for repayment and	236.00	236.00	-

Particulars	Amount which will be financed from Net Proceeds[1]	Estimated deployment of Net Proceeds[3]	
		Fiscal 2024	Fiscal 2025
/ or prepayment in part or full of outstanding loans availed by UML			
Funding our working capital requirements	720.00	100.00	620.00
General corporate purposes[1][2]	[●]	[●]	[●]
Total	[●]	[●]	[●]

(1) *To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.*

(2) *The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds. Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement aggregating to ₹800.00 million. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.*

(3) *In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilized in the next fiscal year, as may be determined by our Board, in accordance with applicable laws.*

The fund requirement, the deployment of funds and the intended use of the Net Proceeds indicated above is based on the current management estimates, current circumstances of our business plan and the prevailing market conditions, which may be subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.*" on page 40. We may have to revise our funding requirements and deployment on account of a variety of factors, including such as our financial condition, business strategy and certain external factors such as market conditions, competitive environment and other similar 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, at the discretion of our management, subject to compliance with the applicable laws. Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh 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 existing and future lenders. In the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Details of the Objects of the Fresh Issue

The details in relation to Objects of the Fresh Issue are set forth herein below:

1. REPAYMENT AND / OR PREPAYMENT, IN PART OR IN FULL, OF CERTAIN OUTSTANDING LOANS OF OUR COMPANY

Our Company has entered into various financing arrangements, including borrowings in the form of long-term loans, cash credit facilities and working capital demand loans, among others. As at October 31, 2023, our total secured borrowings amounted to ₹4,577.01 million, on a consolidated basis. For further details, see *"Financial Indebtedness"* on page 422. Our Company proposes to utilize an aggregate amount of ₹1,444.00 million from the Net Proceeds towards repayment and / or prepayment, in part or in full, of certain outstanding loans of our Company. Payment of interest, prepayment penalty or premium, if any, and other related costs may be made by us out of the Net Proceeds. The repayment / prepayment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness. Further, we believe that it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of internal accruals for further investment in our business growth and expansion.

Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and, in accordance with the relevant repayment schedule, our Company has repaid, and may in the future, repay or refinance some of the borrowings set out below, prior to Allotment or avail additional credit facilities. If at the time of Allotment, any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities are availed by our Company, then our Company may utilise the Net Proceeds for prepayment / repayment of any such refinanced facilities or repayment of any additional facilities / disbursements obtained by our Company.

Further, in the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular fiscal may be repaid / pre-paid by our Company in the subsequent Fiscal. The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings, and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For further details, see "*Financial Indebtedness*" on page 422.

The following table provides details of certain borrowings availed by our Company as on October 31, 2023, which our Company proposes to prepay or repay, fully or partially, from the Net Proceeds:

Name of the lender	Nature of borrowing	Date of original sanction letter	Sanctioned amount (in ₹ million)	Outstanding amount as at October 31, 2023 (in ₹ million)	Repayment date / schedule	Interest rate (p.a.) as at October 31, 2023	Purpose of raising the loan	Pre-payment penalty, if any	Amount proposed to be funded through the Net Proceeds (in ₹ million)
State Bank of India	Cash credit / working capital demand loan*	July 14, 2021	1,250.00	769.30	Repayable on demand.	Cash credit: (6 month MCLR + 0.10%) = 8.50% Working capital demand loan: (3 month TB + 1%) = 7.72%	Working capital requirements.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	656.82
	Term loan	September 8, 2023	800.00	88.29	Maximum tenure of 96 months (including a moratorium of 16 months)	(3 month MCLR + 0.00%) = 8.15%	To set up a new facility at Jammu	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	-
Yes Bank Limited	Cash credit / working capital demand loan**	April 29, 2022	650.00	583.28	Maximum tenure of 12 months.	Cash credit: (1 month MCLR + 0.05%) = 9.10% Working capital demand loan: (1 month TB + 1.43%) = 7.90%	Working capital requirements.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	583.28
The Hong Kong and Shanghai Banking Corporation	Cash credit/ Working capital demand loan***	August 19, 2020	100.00	60.54	Repayable on demand.	Cash credit: 8.50% Working capital demand loan: (3 month TB + 1.43%) = 8.46%	Working capital requirements.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	60.54
	Term loan	March 19, 2021	200.00	98.08	84 months (including a moratorium of 6 months).	(3 month TB + 1.50) = 8.31%	Acquisition of capital equipment.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	98.08
		March 19, 2021		45.28	84 months (including a moratorium of 6 months).	(3 month TB + 1.50) = 8.31%	Acquisition of capital equipment.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.	45.28

Name of the lender	Nature of borrowing	Date of original sanction letter	Sanctioned amount (in ₹ million)	Outstanding amount as at October 31, 2023 (in ₹ million)	Repayment date / schedule	Interest rate (p.a.) as at October 31, 2023	Purpose of raising the loan	Pre-payment penalty, if any	Amount proposed to be funded through the Net Proceeds (in ₹ million)
HDFC Bank Limited	Cash credit/ working capital demand loan****	September 26, 2022	200.00	120.26	Repayable on demand.	Cash credit: (3 month TB + 1.46%) = 8.17% Working capital demand loan: (3 month TB + 1.46%) = 8.52%	Working capital requirements	2% per annum over and above agreed rate of interest.	-
	Term loan	September 26, 2022	2,300.00	1,309.83	120 months (including a moratorium of 24 months)	3 month TB + 1.04% = 7.75%	To set up a new facility at Jammu	2% per annum over and above agreed rate of interest.	-

** Working Capital demand loan amounting to ₹ 650 million is within overall cash credit limit of ₹ 1,250 million.*
*** Working Capital demand loan and cash credit amounting to ₹ 650 million are within overall cash credit limit of ₹ 650 million.*
**** Working Capital demand loan amounting to ₹ 100 million and cash credit limit of ₹ 100 million are within overall combined fund based limit of ₹ 100 million.*
***** Working Capital demand loan amounting to ₹ 200 million is within overall cash credit limit of ₹ 200 million.*

***Note:** In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated December 14, 2023 from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, wherein the Statutory Auditors have certified that nothing has come to their attention that causes them to believe that the loans that are proposed to be repaid or pre-paid out of Net Proceeds have not been utilized for the purposes for which these were availed.*

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" on page 422.

2. INVESTMENT IN OUR SUBSIDIARY, UNIVENTIS MEDICARE LIMITED, FOR REPAYMENT AND / OR PREPAYMENT IN PART OR FULL OF OUTSTANDING LOANS AVAILED BY UNIVENTIS MEDICARE LIMITED

Form of investment

Our Company proposes to invest ₹236.00 million from the Net Proceeds in our Subsidiary, UML. The mode of the proposed investment in UML has not been finalised as on the date of this Red Herring Prospectus and shall be finalised on the basis of the financial conditions and business requirements of UML at the time of the actual investment. Our Company may make such investment in UML through infusion of equity, debt or any other instrument, in accordance with applicable laws.

Details and utilisation

UML availed (i) a loan of ₹300.00 million from HDFC Bank Limited, pursuant to the master facility agreement dated April 9, 2019, and (ii) a loan of ₹1,450 million from HDFC Bank Limited, pursuant to the facility agreement dated June 14, 2023 (the "**UML Loans**"). Our Company proposes to invest ₹236.00 million from the Net Proceeds in UML, and UML will utilise this amount to repay / prepay, in part or full, the UML Loans.

The amounts outstanding against the loans disclosed below may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates. In addition to the above, we may, from time to time, enter into fresh financing arrangements with banks and financial institutions. In such cases or in case any of the borrowings proposed to be repaid / pre-paid out of Net Proceeds, are repaid, refinanced or pre-paid or further drawn-down or freshly drawn-down, within existing limits or enhanced limits, prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment or prepayment of the additional borrowings. For further details, see "*Financial Indebtedness*" on page 422.

The following table provides details of the UML Loans, as on October 31, 2023:

Name of the lender*	Nature of borrowing	Sanctioned amount	Outstanding amount as at October 31, 2023	Repayment date / schedule	Interest rate (p.a.)	Purpose of raising the loan	Pre-payment penalty, if any
HDFC Bank Limited	Cash credit	300.00	52.15	Repayable on demand	8.4% (Spread to be modified basis 3 month TB rate)	Working capital requirements.	Nil, in case of prepayment from own sources / 2.00%, in case of takeover of limits by other banks or financial institutions.
	Term loan	1,450.00	1,450.00	96 months	8.5% (Spread to be modified basis 3 month TB rate)	Acquisition of Sharon.	2.00% per annum over and above the agreed rate of interest.

** Additionally, UML may avail additional loan facilities or draw down existing facilities from time to time to meet its business requirements. Accordingly, the Net Proceeds may be utilized for repayment / prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon), any additional facilities obtained by UML or working capital facilities outstanding at the time of utilisation of Net Proceeds.*

Note: In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purposed availed, our Company has obtained the requisite certificate dated December 14, 2023, from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, who are also the statutory auditors of UML, wherein the Statutory Auditors have certified that nothing has come to their attention that causes them to believe that the loans that are proposed to be repaid or pre-paid out of Net Proceeds have not been utilized for the purposes for which these were availed.

Nature of benefit

The repayment of the UML Loans will help reduce our liabilities and guarantee obligations on a consolidated level and enable utilization of our internal accruals for further investment in the growth and expansion of our business in the future.

For further details in relation to the terms and conditions under the aforesaid loan agreements as well as restrictive covenants in relation thereto, see "*Financial Indebtedness*" on page 422.

3. FUNDING OUR WORKING CAPITAL REQUIREMENTS

We fund a majority of our working capital requirements in the ordinary course of business from banks and internal accruals. As on October 31, 2023, our total outstanding borrowings in respect of our working capital facilities was ₹1,585.53 million, on a consolidated basis. For further details of our indebtedness on a consolidated basis as on October 31, 2023, see *"Financial Indebtedness"* on page 422. We intend to utilise ₹720.00 million from the Net Proceeds to fund working capital requirements of our Company.

Basis of estimation of working capital requirement

The details of our Company's working capital as at June 30, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, derived from the audited standalone financial information of our Company, and source of funding are provided in the table below:

(in ₹ million)

S. No.	Particulars	Notes	Amount as at June 30, 2023	Amount as at March 31, 2023	Amount as at March 31, 2022	Amount as at March 31, 2021
1	**Current Assets**					
a)	Trade receivables		2,544.89	2,296.76	1,738.53	1,385.53
b)	Other current assets		280.85	284.34	274.53	263.47
c)	Inventories		898.87	972.72	1,052.86	914.45
	Total current assets	**(A)**	**3,724.61**	**3,553.82**	**3,065.92**	**2,563.45**
2	**Current Liabilities**					
a)	Trade payables		1,687.12	1,480.84	1,404.31	1,122.33
b)	Other current liabilities		77.99	37.02	76.10	55.45
	Total current liabilities	**(B)**	**1,765.11**	**1,517.86**	**1,480.41**	**1,177.78**
3	**Net working capital requirements**	**(C) = (A)–(B)**	**1,959.50**	**2,035.96**	**1,585.51**	**1,385.67**
4	**Existing funding pattern**					
a)	Current Borrowings (other than current maturities of non-current borrowings)		1,176.95	974.48	975.00	334.26
b)	Internal accruals/equity		782.55	1,061.48	610.51	1,051.41
	Total		**1,959.50**	**2,035.96**	**1,585.51**	**1,385.67**

As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.

On the basis of our audited standalone financial information for Fiscals 2023, 2022 and 2021, and management estimates in relation to our working capital requirements, our Board pursuant to its resolution dated December 3, 2023, has approved the projected working capital requirements for Fiscal 2024 and Fiscal 2025 as set forth below:

(in ₹ million)

S. No	Particulars	Notes	Estimated amount as on March 31, 2024	Estimated amount as on March 31, 2025
1	**Current Assets**			
a)	Trade receivables		2,579.05	3,382.86
b)	Other current assets		284.00	434.00
c)	Inventories		1,085.92	1,535.51
	Total current assets	**(A)**	**3,948.97**	**5,352.37**
2	**Current Liabilities**			
a)	Trade payables		1,710.32	2,532.71
b)	Other current liabilities		38.00	41.00
	Total current liabilities	**(B)**	**1,748.32**	**2,573.71**

S. No	Particulars	Notes	Estimated amount as on March 31, 2024	Estimated amount as on March 31, 2025
3	**Net working capital requirements**	**(C) = (A)–(B)**	**2,200.65**	**2,778.66**
4	**Source of finance**			
a)	Net Proceeds from the Offer		100.00	620.00
b)	Internal accruals or borrowings		2,100.65	2,158.66
	Total		**2,200.65**	**2,778.66**

As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.

Our Company proposes to utilize ₹720.00 million from the Net Proceeds towards funding our working capital requirements. In addition to the Net Proceeds, our Company expects that the funding pattern for working capital requirements for Fiscals 2024 and 2025 will comprise of working capital facilities and internal accruals.

Key assumptions for working capital projections made by our Company

The table below sets forth the details of holding levels (in days) for the three months ended June 30, 2023, and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, on the basis of the audited standalone financial information of our Company, and the estimated holding levels (in days) for Fiscal 2024 and Fiscal 2025:

S. No.	Particulars	Number of days for the period ended					
		March 31, 2021 (Actual)	March 31, 2022 (Actual)	March 31, 2023 (Actual)	June 30, 2023 (Actual)	March 31, 2024 (Estimated)	March 31, 2025 (Estimated)
1.	Trade receivables	123	81	98	106	95	89
2.	Other current assets	23	13	12	12	10	11
3.	Inventories	81	49	41	37	40	40
4.	Trade payables	100	65	63	70	63	67
5.	Other current liabilities	5	4	2	3	1	1

As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.

Key assumptions for holding levels

The table below sets forth the key assumptions for our holding levels:

S. No.	Particulars	Assumptions
Current assets		
1.	Trade receivables	Our Company had maintained trade receivable days of 123 days in Fiscal 2021, 81 days in Fiscal 2022, 98 days in Fiscal 2023 and 106 days in the three months ended June 30, 2023. Our Company anticipates to reduce trade receivables by improving collection efficiency and by bringing down the DSO ("**Daily Sales Outstanding**") and project trade receivables days to 95 days for Fiscal 2024 and 89 days for Fiscal 2025.
2.	Other current assets	Other current assets include balance with Government Authorities, advances to suppliers and prepaid expenses. For Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023, our Company's other current assets were 23 days, 13 days, 12 days and 12 days, respectively. It is anticipated to be at 10 days for Fiscal 2024 and 11 days for Fiscal 2025.
3.	Inventories	Inventories include raw materials, finished goods, packing material, work in progress, stores and spares etc. Our Company had maintained inventory days of 81 days in Fiscal 2021, 49 days in Fiscal 2022, 41 days in Fiscal 2023 and 37 days in the three months ended June 30, 2023. It is anticipated to be 40 days for Fiscal 2024 and Fiscal 2025.
Current liabilities		
4.	Trade payables	Our Company had maintained trade payable days of 100 days in Fiscal 2021, 65 days in Fiscal 2022, 63 days in Fiscal 2023 and 70 days for the three months ended June 30, 2023. It is projected to be 63 days for the Fiscal 2024 and 67 days for Fiscal 2025.
5.	Other current liabilities	Other current liabilities include current tax liabilities, current provision for employee benefits, advances from customers, statutory dues and deferred government grant. For Fiscal 2021, Fiscal 2022, Fiscal 2023 and for the three months ended June 30, 2023, our Company's other current liabilities were 5 days, 4 days, 2 days and 3 days, respectively. It is anticipated to be at 1 day for Fiscal 2024 and Fiscal 2025.

4. GENERAL CORPORATE PURPOSES

Our Company intends to deploy the balance Net Proceeds aggregating to ₹[●] million towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by our Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Means of finance

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations.

Bridge financing facilities

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

Appraising entity

The Objects for which the Net Proceeds will be utilised have not been appraised by any bank or financial institution or other independent agency.

Offer Expenses

The Offer expenses are estimated to be approximately ₹[●] million. The Offer expenses comprises of, among other things, listing fees, underwriting fee, selling commission and brokerage, fees payable to the Book Running Lead Managers, legal counsel, Registrar to the Offer, Banker(s) to the Offer, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Bank(s) for Bids made by UPI Bidders, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, which shall be borne solely by our Company, our Company and the Selling Shareholders will share the costs and expenses (including all applicable taxes) in connection with the Offer, in proportion to the number of Equity Shares issued and Allotted by our Company pursuant to the Fresh Issue and / or transferred by the Selling Shareholders pursuant to the Offer for Sale. However, expenses relating to the Offer shall be paid by our Company in the first instance and the Selling Shareholders shall, upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, reimburse our Company, directly from the Public Offer Account, for any expenses in relation to the Offer for Sale as paid by our Company on behalf of the Selling Shareholders. It is clarified that, in the event the Offer is not successful or consummated, all expenses in relation to the Offer shall be borne by our Company in accordance with the terms of the Offer Agreement.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses (₹ in million) * (1)	As a % of total estimated Offer related expenses (1)	As a % of Offer size (1)
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by RIIs using the UPI Mechanism) procured by the Members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIBs (1)(2)	[●]	[●]	[●]
Selling commission and uploading charges payable to Members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers (3)(4)(5)	[●]	[●]	[●]
Processing fees payable to the Sponsor Bank(s) (5)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to legal counsel	[●]	[●]	[●]
Fees payable to the statutory auditors, independent chartered accountants and industry expert	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

** The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price. Offer expenses include applicable taxes, where applicable. Offer expenses are estimates and are subject to change.*

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

*Portion for RIBs**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

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

(2) No processing fees shall be payable by the Company and the Selling Shareholders to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / CRTAs / CDPs and submitted to SCSB for blocking, would be as follows:

*Portion for RIBs and Non-Institutional Bidders**	*₹ 10 per valid application (plus applicable taxes)*

** Processing fees payable to the SCSBs for capturing Syndicate Member/Sub-syndicate (Broker)/Sub-broker code on the ASBA Form for Non-Institutional Bidder and Qualified Institutional Bidders with bids above ₹ 0.5 million would be ₹ 10 plus applicable taxes, per valid application.*

(3) Brokerage, selling commission and processing/ uploading charges on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) 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 RIBs**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.20% of the Amount Allotted (plus applicable taxes)*

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined (i) for RIBs and Non-Institutional Bidders (up to ₹ 0.5 million), 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,' and (ii) for Non-Institutional Bidders (above ₹ 0.5 million), Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / SubSyndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub-Syndicate Member and not the SCSB.

(4) Bidding charges payable to members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts, would be ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members). Bidding charges payable to SCSBs on the QIB Portion and Non-Institutional Bidders (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ 10 per valid application (plus applicable taxes).

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

Portion for RIB and Non-Institutional Bidders	*₹ 10 per valid application (plus applicable taxes)*

(5) Bidding charges/ Processing fees for applications made by UPI Bidders would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹30 per valid application (plus applicable taxes) subject to a maximum of ₹ 10 million (Rupees ten million) payable on a pro rata basis*
Sponsor Bank	*ICICI Bank Limited: ₹ Nil* *HDFC Bank Limited: ₹ Nil* *The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other applicable laws*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Banks Agreement. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 0.50 million and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for Retail Individual Investor and Non-Institutional Investor Bids up to ₹ 0.50 million will not be eligible for brokerage. The processing fees for applications made by 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/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/l/M dated March 16, 2021

Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations has appointed CRISIL Ratings Limited as the Monitoring Agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Pursuant to the Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Furthermore, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including category wise deviations, if any, in the utilization of the Net Proceeds of the Offer from the Objects as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Directors' report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s), subsequent to receipt of listing and trading approvals from the Stock Exchanges, until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price and in such manner and subject to such conditions as prescribed by SEBI, in this regard.

Other confirmations

Except to the extent of the proceeds received from the Offer for Sale, there is no proposal whereby any portion of the Offer Proceeds will be paid to our Promoters, Promoter Group, Directors, Key Managerial Personnel or Senior Management. Further, there are no material existing or anticipated transactions in relation to the utilisation of the Offer Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management or Group Companies.

BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10, and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Restated Consolidated Financial Information*", "*Pro Forma Condensed Consolidated Financial Information*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Other Financial Information*" on pages 181, 33, 260, 331, 356 and 346, respectively, to have an informed view before making an investment decision.

Qualitative factors

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

- leading presence and one of the fastest growing CDMOs in the Indian pharmaceutical formulations market;
- well established relationships with our marquee CDMO customer base;
- highly efficient operations, including our world class manufacturing facilities and supply chain;
- rapidly growing domestic and international export branded generics businesses;
- strong R&D focus to build an increasingly complex product portfolio and attract and retain customers;
- consistent financial performance; and
- experienced promoters and management team.

For further details, see "*Our Business – Competitive Strengths*" on page 185.

Quantitative factors

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

I. Basic and diluted earnings per share ("EPS")

As derived from the Restated Consolidated Financial Information:

Fiscal Year/period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	7.19	7.19	1
March 31, 2022	13.32	13.32	2
March 31, 2023	14.16	14.16	3
Weighted Average	12.72	12.72	
Three months ended June 30, 2023*	3.67	3.67	

** Not annualised.*

Notes:

i) Pursuant to a Board resolution dated April 1, 2022 and Shareholders' resolution at the Company's EGM dated April 4, 2022, equity shares of face value of ₹100 each of the Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued, subscribed and paid up share capital of the Company comprising 1,200,000 equity shares of face value of ₹100 each were sub-divided into 12,000,000 equity shares of face value of ₹10 each. Also, subsequent to December 31, 2021, the Shareholders of the Company in its EGM held on April 4, 2022 approved the issue of bonus shares in the ratio 3:1 per fully paid equity share having face value of ₹10 each to the existing equity Shareholders of the Company in accordance with the provisions of the Companies Act, 2013 whose name appeared in the register of member/beneficial ownership as on record date of April 22, 2022. The number of equity shares outstanding as at the period/year end have been presented to reflect the adjustments for the sub-division of equity shares and the bonus issue retrospectively for the computation of NAV.

ii) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

iii) Basic Earnings per Equity Share (₹) = Restated consolidated profit for the period/year divided by Weighted average number of equity shares outstanding during the year/ period, read with note 1 above

iv) Diluted Earnings per Equity Share (₹) = Restated consolidated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the year/ period, read with note 1 above

v) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.

vi) The figures disclosed above are based on the Restated Consolidated Financial Information.

II. Price/Earning ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2023	[●]	[●]

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on diluted EPS for Fiscal 2023	[●]	[●]

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

Industry Peer Group Price/Earning ratio

Particulars	Industry P/E (number of times)
Highest	57.61
Lowest	19.90
Average	32.17

Notes:

(1) The industry high and low has been considered from the industry peer set provided below. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed below.

(2) The industry P/E ratio mentioned above is for the financial year ended March 31, 2023.

III. Weighted Average Return on Net Worth

As derived from the Restated Consolidated Financial Information:

Fiscal / period	Return on Net Worth (%)	Weight
March 31, 2021	23.83	1
March 31, 2022	30.66	2
March 31, 2023	24.58	3
Weighted Average	26.48	
Three months ended June 30, 2023*	5.98	

**Not annualised*

Notes:

i) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.

ii) Return on Net Worth (%) = Profit for the year / period divided by Net worth at the end of the year/period.

iii) 'Net worth': Sum of equity share and other equity less capital reserves.

IV. Net Asset Value per Equity Share

As per the Restated Consolidated Financial Information:

As at	NAV per Equity Share (in ₹)
March 31, 2023	57.60
June 30, 2023	61.31

Notes:

(1) Net Asset Value per Equity Share = Net worth derived from Restated Consolidated Financial Information as at the end of the year/ period divided by number of equity shares outstanding as at the end of year/period per Restated Consolidated Financial Information.

(2) Net worth has been computed as a sum of Equity share capital and other equity less capital reserves.

As at	NAV per Equity Share (in ₹)
After the completion of the Offer:	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Offer Price(1)	[●]

(1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

V. Comparison of accounting ratios with listed industry peers

Name of the company	Face value (₹ per share)	Closing price on November 21, 2023 (₹ per share)	Revenue from Operations (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	Return on Net Worth (%)
				Basic	Diluted			
Innova Captab Limited	10.00	NA	9,263.80	14.16	14.16	57.60	NA	24.58%
Torrent Pharmaceuticals Limited	5.00	2,119.65	96,201.50	36.79	36.79	182.97	57.61	20.11%
Laurus Labs Limited	2.00	373.70	60,405.50	14.69	14.64	74.92	25.53	19.74%
Ajanta Pharma Limited	2.00	1,969.15	37,426.40	45.89	45.89	267.41	42.91	17.36%
J. B. Chemicals and Pharmaceuticals Limited	2.00	1,497.30	31,492.83	53.00	52.34	320.36	28.61	16.54%
NATCO Pharma Limited	2.00	779.55	27,071.00	39.18	39.18	264.21	19.90	14.84%
Eris Lifesciences Limited	1.00	926.7	16,851.49	28.10	28.07	160.85	33.01	17.10%

Name of the company	Face value (₹ per share)	Closing price on November 21, 2023 (₹ per share)	Revenue from Operations (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	Return on Net Worth (%)
				Basic	Diluted			
Indoco Remedies Limited	2.00	350.7	16,686.11	15.44	15.42	111.58	22.74	13.83%
Suven Pharmaceuticals Limited	1.00	600.05	13,403.29	16.16	16.16	68.16	37.13	23.70%
Windlas Biotech Limited	5.00	434.25	5,130.83	19.7	19.7	192.02	22.04	10.61%

Note:

All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports as available of the respective company for the year ended March 31, 2023. The information for Innova Captab Limited has been sourced from the Restated Consolidated Financial Information for the year ended March 31, 2023.

The financial parameters above are not reclassified by CRISIL and taken as reported by players. Hence, the comparison should not be made with the tables in the rest of the competitive section of the "Industry Overview" section.

The financial parameters are calculated as described below:

Net worth = Equity share capital + Other equity-capital reserves
NAV per share = Net worth / Number of equity shares outstanding
Return on net worth = PAT / Net worth

***Source**: Company filings, CRISIL MI&A except closing price which is as per NSE and P/E is calculated as closing price / diluted EPS.*

VI. Key financial and operational performance indicators ("KPIs")

In evaluating our business, we consider and use certain KPIs, as presented below, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited.

Therefore, these metrics 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. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

The KPIs disclosed below are the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of this Red Herring Prospectus and which have been used historically by our Company to understand and analyse our business performance, which in result, helps us analyse the growth of various verticals in comparison to our peers, as well as other relevant and material KPIs of the business of the Company that have a bearing for arriving at the basis for the Offer Price.

The KPIs disclosed herein below have been approved by a resolution of our Audit Committee dated December 14, 2023. The members of the Audit Committee have verified the details of all KPIs pertaining to our Company, and have confirmed that verified and audited details of all the KPIs pertaining to our Company that have been disclosed to our investors at any point of time during the three years period prior to the date of the filing of this Red Herring Prospectus have been disclosed in this section. The KPIs herein have been certified by N B T and Co, Chartered Accountants, by their certificate dated December 14, 2023.

The KPIs of our Company have also been disclosed in the sections titled *"Our Business"*, *"Management's Analysis and Discussion of Financial Condition and Results of Operations"*, *"Other Financial Information"* and *"Risk Factors"* on pages 181, 356, 346 and 33, respectively. We have described and defined the KPIs, as applicable, in "*Definitions and Abbreviations – Conventional and general terms and abbreviations*" on page 15.

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 utilisation of the Offer Proceeds as per the disclosure made in the section "*Objects of the Offer*" on page 103, whichever is later, or for such other duration as may be required under the SEBI ICDR Regulations.

(₹ in million unless otherwise stated)

Particulars	Three months ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations[(1)]	2,332.43	9,263.80	8,005.26	4,106.62
EBITDA[(2)]	324.24	1,228.45	989.03	558.57
EBITDA Margin (%)[(3)]	13.90%	13.26%	12.35%	13.60%
Debt-Equity Ratio[(4)]	1.21	0.85	0.95	0.31
Return on Equity (%)[(5)]	4.81%*	24.58%	30.66%	23.82%
Profit for the period / year[(6)]	175.93	679.54	639.53	345.00
PAT Margin (%)[(7)]	7.54%	7.34%	7.99%	8.40%
Return on Capital Employed (%)[(8)]	3.75%*	22.61%	23.46%	26.54%
Fixed Asset Turnover Ratio[(9)]	0.72*	5.37	5.10	4.88
Return on Net Worth (%)[(10)]	5.98%*	24.58%	30.66%	23.83%

Notes:
** Not annualised*

1. *Revenue from Operations means the revenue from operations as appearing in the Restated Consolidated Financial Information.*
2. *EBITDA, a non – GAAP measure, is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense.*
3. *EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations.*
4. *Debt-Equity Ratio, a non – GAAP measure, is calculated by dividing total borrowings by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings.*
5. *Return On Equity, a non – GAAP measure, is calculated as profit for the period / year divided by total equity.*
6. *Profit for the period / year is restated profit / (loss) for the period / year as appearing in the Restated Consolidated Financial Information.*
7. *PAT Margin, a non – GAAP measure, is calculated as profit for the period / year divided by revenue from operations.*
8. *Return On Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.*
9. *Fixed Asset Turnover Ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year, other intangible assets as at the end of the year and capital work in progress as at the end of the year.*
10. *Return on Net Worth is calculated as profit for the period/year divided by Net Worth as at the end of the year/period.*

Explanation for key financial and operational performance indicators

Set out below are explanations for how the KPIs listed above have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company.

KPI	Explanation
Revenue from Operations	Revenue from Operations is used by the management of our Company to track revenue profile of the business over multiple periods.
EBITDA	EBITDA helps us to identify underlying trends in our business and facilitates evaluation of operating performance of our operations and allowing comparison of our business operating results over multiple periods.
EBITDA Margin	EBITDA Margin assists in tracking the margin profile of our business and assess operational efficiency of our business.
Debt-Equity Ratio	Debt-Equity Ratio helps our Company to track the leverage position over multiple periods.
Return on Equity	Return on equity helps our Company in measuring the returns generated from our shareholders funds.
Profit for the period / year	Profit for the period / year is an indicator of the overall profitability of our business after tax.
PAT Margin	PAT margin indicates how well our Company manages its cost and generates adequate profits.
Return on Capital Employed	Return on Capital Employed helps our Company in measuring the operating returns generated from total capital employed in the business.
Fixed Asset Turnover Ratio	Fixed Asset Turnover Ratio indicates how efficiently our Company is generating operating revenue from its existing fixed assets.
Return on Net Worth	Return on Net Worth helps our Company in measuring the returns generated from the total net worth of our Company.

Comparison of key financial and operational performance indicators of our Company and our listed peers

While the listed peers mentioned below operate in the same industry as us, and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence. Below are details of the KPIs of our listed peers for and as at the financial year ended March 31, 2023.

Key Performance Indicators	Revenue from Operations (₹ in million)	EBITDA (₹ in million) (1)	EBITDA Margin (%)(2)	Debt-Equity Ratio(3)	Return on Equity (%)(4)	Profit for the year (₹ in million)	PAT Margin (%)(5) (6)	Return on Capital Employed (%)(7)	Fixed Asset Turnover Ratio(8)	Return on Net Worth (%)
Innova Captab Limited$	9,263.80	1,228.45	13.26	0.85	24.58	679.54	7.34	22.61	5.37	24.58
Torrent Pharmaceuticals Limited	96,201.50	28,871.90	30.01	0.85	20.09	12,452.30	12.94	35.93	1.14	20.11
Laurus Labs Limited	60,405.50	15,981.90	26.46	0.49	19.68	7,966.40	13.19	22.11	1.69	19.74
Ajanta Pharma Limited	37,426.40	8,818.90	23.56	0.00	17.35	5,879.80	15.71	22.21	2.30	17.36
J. B. Chemicals and Pharmaceuticals Limited	31,492.83	7,056.93	22.41	0.22	16.53	4,100.05	13.02	35.86	1.68	16.54
NATCO Pharma Limited	27,071.00	10,402.00	38.42	0.03	14.68	7,153.00	26.42	18.07	1.11	14.84
Eris Lifesciences Limited	16,851.49	5,478.99	32.51	0.37	16.85	3,741.60	22.20	51.39	0.76	17.10
Indoco Remedies Limited	16,686.11	2,884.28	17.29	0.31	13.83	1,422.52	8.53	17.88	2.15	13.83
Suven Pharmaceuticals Limited	13,403.29	6,128.99	45.73	0.04	23.70	4,112.90	30.69	32.44	1.65	23.70%
Windlas Biotech Limited	5,130.83	701.91	13.68	0.00	10.60	426.26	8.31	14.41	4.35	10.61%

***Note**:*

The financial parameters above are not reclassified by CRISIL and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section of the "Industry Overview" section.
Financials for all the players are on consolidated level as of and for Fiscal 2023.

$ As per Restated Consolidated Financial Information of our Company as of and for the Fiscal ended March 31, 2023.

The financial parameters are calculated as described below:

(1) EBIDTA = Earnings Before Interest, Taxes, Depreciation, and Amortization
(2) EBIDTA Margin = EBIDTA / Revenue from operations
(3) Debt / Equity ratio = Total borrowings / Total Equity
(4) ROE (Return on Equity) = PAT / Total Equity
(5) PAT = Profit After Tax
(6) PAT Margin = Profit after tax / Revenue from operations
(7) RoCE (Return on Capital Employed) = Earnings before interest and tax (EBIT) / [Total borrowings + Total equity net of goodwill and intangible assets)]
(8) Fixed asset turnover ratio = Revenue from operations / Total fixed assets

***Source:** Company filings, CRISIL MI&A*

VII. Weighted average cost of acquisition

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

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of filing of this Red Herring Prospectus, excluding shares issued under the ESOP Scheme and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-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 30 days.

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

There have been no secondary sales / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the 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.

c) *Price per share based on the last five primary or secondary transactions*

Since there are no transactions under (a) and (b), details of the last five primary transactions or secondary transactions (secondary transactions where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction), not older than 3 years prior to the date of this Red Herring Prospectus, are provided below:

Primary transaction:

Details of the primary transactions in the three years preceding the date of this Red Herring Prospectus are set out below:

S. No.	Date of allotment	Details of allottee	Nature of allotment	No. of Equity Shares / CCPS allotted	Face value per Equity Share / CCPS (₹)	Issue price per Equity Share / CCPS (₹)	Form of consideration	Total consideration (in ₹ million)
1.	December 3, 2023	Allotment of Equity Shares to 360 One Special Opportunities Fund - Series 9.	Allotment pursuant to private placement	334,821	10	448.00	Cash	150.00
2.		Allotment of Equity Shares to 360 One Special Opportunities Fund - Series 10.	Allotment pursuant to private placement	334,821	10	448.00	Cash	150.00
3.	December 1, 2023	Allotment of Equity Shares to UTI Multi Opportunities Fund I.	Allotment pursuant to conversion of compulsorily convertible preference shares	1,412,430	10	354.00	Cash	500.00
4.	April 27, 2022	Allotment of Equity Shares by way of a bonus issue to such holders of Equity Shares of our Company, whose names appeared in the register of members of the Company as on the record date, April 22, 2022, namely Manoj Kumar Lohariwala, Vinay Kumar Lohariwala, Gian Parkash Aggarwal, Vandana Lohariwala, Chavvi Lohariwala, Archit Aggarwal and Veena Devi.	Bonus issue in the ratio of three Equity Shares for every one Equity Share held	36,000,000	10	-	Other than cash (bonus issue)	-
Total				**38,082,072**				**800.00**
Weighted average cost of acquisition (in ₹)								**21.01**

As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.

Secondary transaction:

Details of the secondary transactions where the Promoters, members of the Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company are a party to the transaction, in the three years preceding the date of this Red Herring Prospectus, are set out below:

S. No.	Date of transfer	Name of transferor	Name of transferee	Nature of transaction	No. of equity shares	Face value per equity share (₹)	Transfer price per equity share	Form of consideration	Total consideration (in ₹ million)
1.	January 18, 2022	Gian Parkash Aggarwal	Vinay Kumar Lohariwala	Secondary sale	1,170,000*	10	166.67	Cash	195.00
Total					**1,170,000**				**195.00**
Weighted average cost of acquisition									**166.67**

As certified by N B T and Co, Chartered Accountants, by way of their certificate dated December 14, 2023.
**Adjusted for sub-division of equity shares of face value ₹100 each into equity shares of ₹10 each*

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

Past transactions	Weighted average cost of acquisition (in ₹)	Floor Price (₹ [●]*)	Cap Price (₹ [●]*)
Weighted average cost of acquisition of primary issuances as set out in (a) above	NA	NA	NA
Weighted average cost of acquisition of secondary transactions as set out in (b) above	NA	NA	NA
Since there are no such primary issuances or secondary transactions as set out in (a) and (b) above, details of the price per share based on the last five primary or secondary transactions as detailed in (c) are set out below:			
Primary issuances	21.01	[●] times	[●] times
Secondary transactions	166.67	[●] times	[●] times

* *To be updated in the Prospectus.*
As certified by the N B T & Co, Chartered Accountants, by way of their certificate dated December 14, 2023.

Explanation for Offer Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (as set out above) along with our Company's key performance indicators and financial ratios for the three months ended June 30, 2023, and Fiscals 2023, 2022 and 2021.

[●]*
**To be included on finalisation of Price Band*

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

[●]*
**To be included on finalisation of Price Band*

The Offer Price of ₹[●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Restated Consolidated Financial Information*" on pages 33, 181, 356 and 260, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 33 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors
Innova Captab Limited
601, Proxima, Plot No 19
Sector 30 A Vashi, Navi Mumbai
Mumbai – 400 705

Date: December 14, 2023

Subject: Statement of possible special tax benefits ("the Statement") available to Innova Captab Limited ("the Company"), its shareholders and its material subsidiaries prepared in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the ICDR Regulations")

This report is issued in accordance with the Engagement Letter dated 03 March 2022 and subsequent addendum dated 25 June 2022.

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company, its shareholders and its material subsidiaries, which is defined in Annexure I (**List of Material Subsidiaries Considered As Part Of The Statement**), under direct and indirect tax laws (together "**the Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiaries, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiaries may face in the future and accordingly, the Company, its shareholders and its Material Subsidiaries may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiaries. We wish to highlight that the distinction between 'general' and 'special' tax benefits is not clear as the said terms have not been defined under the ICDR Regulations. Accordingly, we have provided comments on those tax benefits which are available consequent to undertaking a transaction / approval on the basis of specific facts of the Company. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the Management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company (the "**Proposed Offer**") 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 possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We did not verify the special tax benefits available to Sharon Bio-Medicine limited. The Statement of Possible Special Tax Benefits for Sharon Medicine limited has been verified by E A Patil & Associates LLP, Chartered Accountants, whose reports have been furnished to us, and our opinion, insofar as it relates to the special tax benefits included in respect of such subsidiary, is based solely on the reports of such other auditor.

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

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

i. the Company, its shareholders and its Material Subsidiaries will continue to obtain these possible special tax benefits in future; or
ii. the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiaries, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Report in the Red Herring Prospectus ("**RHP**") and the Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Gaurav Mahajan
Partner
Membership No.: 507857
UDIN: 23507857BGYNXQ3485

Place: Panchkula
Date: December 14, 2023

ANNEXURE I

LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962, each as amended and read with respective circulars and notifications made thereunder
2.	Central Goods and Services Tax ('CGST') Act 2017 and CGST Rules, 2017, as amended
3.	Integrated Goods and Services Tax ('IGST) Act, 2017 and IGST Rules, 2017, as amended
4.	State Goods and Services Tax Act, 2017, as amended
5.	Customs Act, 1962, as amended and read with rules, circulars and notifications made thereunder
6.	Customs Tariff Act, 1975, as amended and read with rules, circulars and notifications made thereunder
7.	Foreign Trade Policy (FTP)

LIST OF MATERIAL SUBSIDIARIES CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Univentis Medicare Limited

2. Sharon Bio-Medicine Limited

Note 1: Material subsidiary identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose income or net worth in the immediately preceding year (i.e. 31 March 2023) exceeds 10% of the consolidated income or consolidated net worth respectively, of the holding company and its subsidiary in the immediate preceding year.

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO INNOVA CAPTAB LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiaries under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company

a) Direct Tax Laws

The Company avails direct tax benefits under the Tax Laws identified supra. The same have been outlined as under:

1. ***Deduction under Section 80JJAA of the Act:*** Subject to fulfilment of prescribed conditions, the Company claims deduction, under the provisions of Section 80JJAA of the Income-tax Act, 1961, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

b) Indirect Tax Laws

The Company avails indirect tax benefits under the Tax Laws identified supra. The same have been outlined as under:

1. ***Fiscal incentive in the form of reimbursement of Goods and Services Tax paid through cash and input tax credit***: The fixed capital investment of the Company in the Union territory of Jammu & Kashmir for setting up manufacturing facility is eligible under the New Central Sector Scheme for Industrial Development of Jammu & Kashmir ("Scheme") laid down by the Government of India. The incentive is available in the form of an investment subsidy by way of reimbursement of the Goods and Services Tax paid through cash and input tax credit by the Company. The availability of the said incentive is subject to fulfilment of certain conditions as prescribed in the Scheme.

2. ***Export incentives under FTP and Customs laws:*** The Company is availing export incentives under following schemes as prescribed in the FTP and Customs laws:

   - Duty Drawback (DBK) scheme which allows refund of import duty of inputs directly used in manufacturing of exported goods. Remissions of Duties and Taxes on Exported Products (RoDTEP) scheme which provides for rebate of all Central, State, and Local duties/taxes/levies on the goods exported which have not been refunded under any other existing scheme.

   - Export incentives under Foreign Trade Policy 2023 with respect to duty free (including IGST) import of inputs under Advance Authorization scheme and duty free import of capital goods in FY 23-24 under Export Promotion Capital Goods scheme, subject to fulfilment of Export Obligation and other conditions prescribed in the relevant Customs and FTP policy/notifications.

   - The Company has opted to export the goods without payment of Integrated GST under a Letter of Undertaking for FY 23-24 and is entitled to claim refund of accumulated ITC on such exports in terms of GST law.

- The availability of above incentives is subject to fulfillment of prescribed conditions, procedure and limitation under the FTP /Customs, relevant rules and notifications.

3. ***Other incentives under GST law***:

- The Company is availing the benefit of refund of input tax credit due to inverted duty structure in terms of GST law.

B. Special tax benefits available to Shareholders

There are no special tax benefits available to the Shareholders under the Tax Laws.

C. Special tax benefits available to Material Subsidiaries

1. **Univentis Medicare Limited**

a) Direct Tax Laws

The Material Subsidiary avails direct tax benefits under the Tax Laws identified supra. The same have been outlined as under:

1. Deduction under Section 80JJAA of the Act: Subject to fulfilment of prescribed conditions, the Material Subsidiary claims deduction, under the provisions of Section 80JJAA of the Income-tax Act, 1961, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

b) Indirect Tax Laws

The Material Subsidiary avails indirect tax benefits under the Tax Laws identified supra. The same have been outlined as under:

1. Export incentives under FTP: The Material Subsidiary is availing export incentives under following schemes as prescribed in the FTP:

- Duty Drawback (DBK) scheme which allows refund of import duty of inputs directly used for export of products.
- Remissions of Duties and Taxes on Exported Products (RoDTEP) scheme which provides for rebate of all Central, State, and Local duties/taxes/levies on the goods exported which have not been refunded under any other existing scheme.
- The Material Subsidiary has opted to export the goods without payment of Integrated GST under a Letter of Undertaking on such exports in terms of GST law.
- The availability of above incentives is subject to fulfillment of prescribed criteria under the FTP.

2. **Sharon Bio-Medicine Limited**

a) Indirect Tax Laws

The Material Subsidiary avails indirect tax benefits under the Tax Laws identified supra. The same have been outlined as under:

- The Material Subsidiary is availing the benefit on import of goods under Advance Authorization Scheme in terms of Foreign Trade Policy 2023, getting duty exemption and complying conditions as per applicable provisions.

- The Material Subsidiary has opted to export the goods without payment of Integrated GST under a Letter of Undertaking on such exports in terms of GST law.

- Remissions of Duties and Taxes on Exported Products (RoDTEP) scheme which provides for rebate of all Central, State, and Local duties/taxes/levies on the goods exported which have not been refunded under any other existing scheme.

- The Material Subsidiary is claiming duty drawback of duty paid on import of materials used in manufacture of exported goods under Section 75 of the Customs Act 1962.

NOTES:

1. The above is as per the current Tax Laws.

2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

For INNOVA CAPTAB LIMITED

Vinay Kumar Lohariwala
Managing Director

Place: Panchkula
Date: December 14, 2023

SECTION V - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise specified, the information contained in this section is derived from a report titled "Assessment of Indian pharmaceutical and CDMO market" dated October 2023 prepared by CRISIL ("**CRISIL Report**"),and commissioned and paid for by our Company in connection with the Offer. We commissioned the CRISIL Report on February 12, 2022. The CRISIL Report is available at the following web-link: www.innovacaptab.com/investor-relations. Although the industry and market data used in this Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. 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.*

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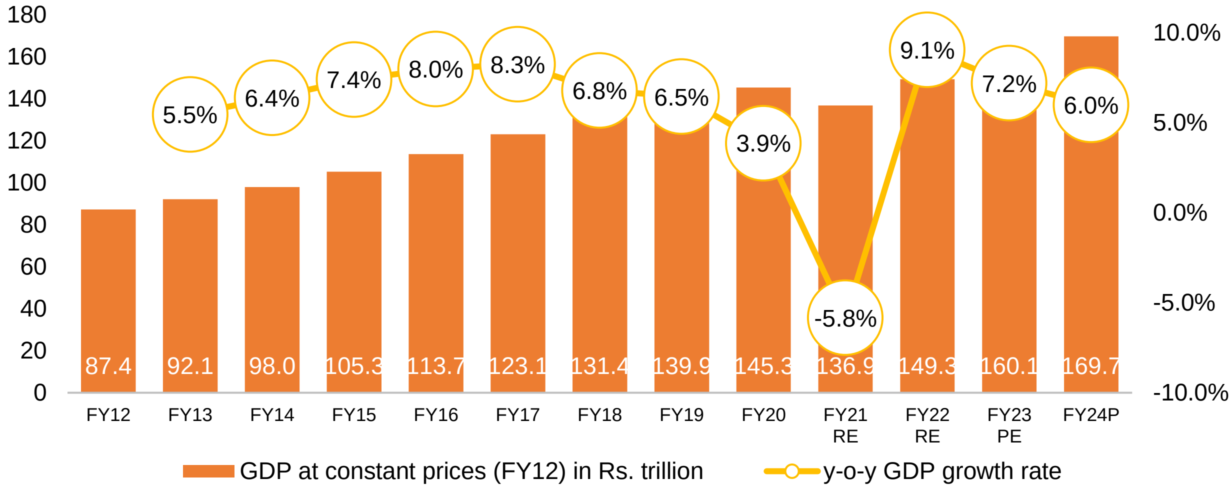
For further details and risks in relation to commissioned reports, see "Risk Factors — We commissioned and purchased the CRISIL Report. This Red Herring Prospectus contains information from the CRISIL Report and such information is subject to inherent risks and limitations." on page 65. Also, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and market data" on page 21.

MACROECONOMIC ASSESSMENT OF INDIA

India GDP logged 6.2% CAGR during FY12-FY23

India's real gross domestic product (GDP) clocked a compound annual growth rate (CAGR) of 6.2% from Rs. 87 trillion in FY12 in to Rs. 160 trillion FY23. In FY22, the economy recovered from the pandemic-related stress as restrictions were eased and economic activity resumed, though the last quarter did see inflation spiral due to geopolitical pressures. In FY22, resumption of economic activity and healthy trade flow led to a robust GDP growth of 9.1% for the year as compared to a decline of 5.8% in FY21. In FY23, the GDP rose 7.2% on strong growth momentum propelled by domestic demand from investment and private consumption.

Real GDP growth in India (new series) – Constant prices



Note:

PE: Provisional estimates; RE: Revised estimates; P: Projected

Source: Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A Research

CRISIL forecasts India's GDP to grow by 6.0% in FY24

After the robust growth in India's GDP in FY2023, a slowdown seems inevitable in FY2024, driven by rising borrowing costs and global slowdown. Rate hikes are getting transmitted to broader lending rates with a lag and expected to peak in FY2024, adversely impacting both global and domestic demand. S&P Global expects GDP growth for the United States and euro zone to be slow in 2023. As these economies account for 33% of India's goods exports, the country is likely to see slower growth.

While outlook for the external environment seems grim, CRISIL believes that India is positioned better with lower inflation rates and higher government capex. Government capex is expected to offer key support to the investment cycle in fiscal 2024. Private sector capex is also showing signs of a pick-up, because of the rising capacity utilisation. However, it will take time for the pick-up to be broad-based and for the segment to take the baton from the government. Overall, CRISIL expects India's real GDP to grow by 6% in fiscal 2024, as compared to 7.2% in fiscal 2023.

India's GVA continues to record healthy growth

On the supply side, India's gross value added (GVA) grew by 7.0% in fiscal 2023, as per CRISIL's provisional estimates (compared with 8.8% in fiscal 2022). In absolute terms, real GVA rose to Rs 147.6 trillion in fiscal 2023 from Rs 138.0 trillion in fiscal 2022.

GVA at constant fiscal 2012 prices

Segment	FY21RE Rs trillion	FY22RE Rs trillion	FY23PE Rs trillion	Share in GVA FY23	Annual growth in FY23
Agriculture, forestry and fishing	20.8	21.5	22.3	15%	4.0%
Mining and quarrying	2.9	3.1	3.2	2%	4.6%
Manufacturing	23.3	25.8	26.2	18%	1.3%
Utility services	2.9	3.2	3.4	2%	9.0%
Construction	9.8	11.3	12.4	8.4%	10.0%
Trade, hotels, transport, communication and services related to broadcasting	21.6	24.6	28.0	19.0%	14.0%
Financial, real estate and professional services	29.6	31.0	33.2	22.5%	7.1%

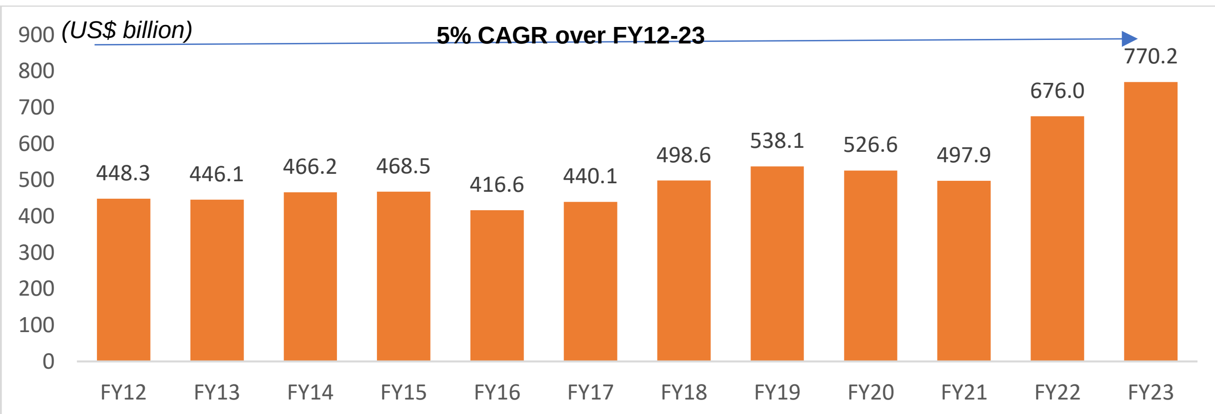
Public administration, defence and other services	16.0	17.6	18.8	12.7%	7.2%
GVA at basic prices	126.8	138.0	147.6	-	7.0%

RE: revised estimate, PE: provisional estimate
Source: CRISIL MI&A Research

Exports increased at a 5% CAGR between fiscals 2012 and 2023

India achieved an all-time high annual export of US$770 billion in fiscal 2023, increased by 13.84% from US$676 billion in fiscal 2022. Merchandise and services exports clocked a steady 5% CAGR during the above mentioned period. The steady rise in exports can be attributed to India becoming a major manufacturing hub for key products as well as the central government's push for local manufacturing of key goods.

India's export trend (merchandise + services)

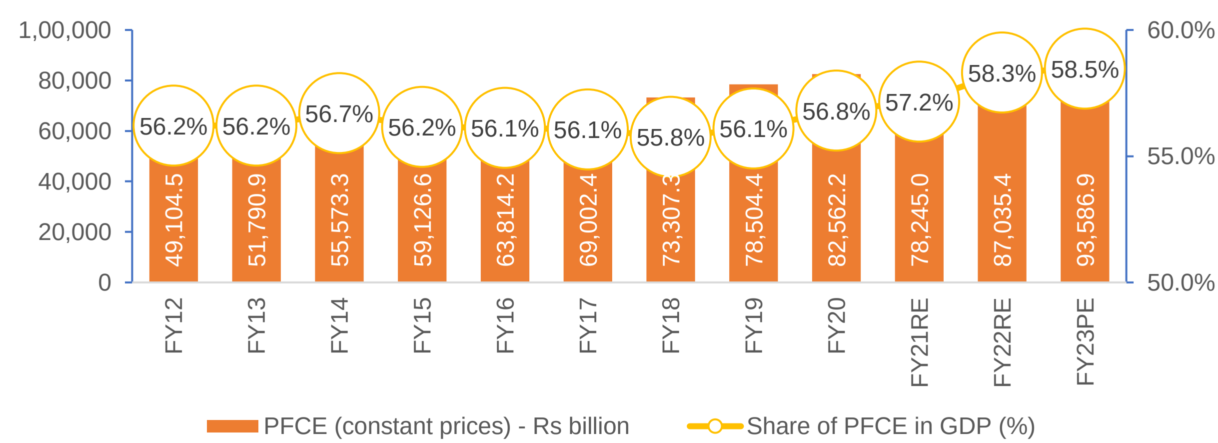


Source: Ministry of Commerce and Industry, CRISIL MI&A Research

PFCE to maintain dominant share in India's GDP

Private final consumption expenditure (PFCE) at constant prices clocked a 6% CAGR between fiscals 2012 and 2023, maintaining its dominant share of 58.5% in India's GDP, or approximately Rs 93,587 billion in fiscal 2023, registering 7.5% year-over-year growth. Factors contributing to growth included good monsoons, wage revisions due to the implementation of the Seventh Central Pay Commission's recommendations, benign interest rates, and low inflation.

PFCE (at constant prices)



Note: PE: provisional estimates; RE: revised estimates
Source: MoSPI, CRISIL MI&A Research

India has seen robust growth in per capita income in recent times

India's per capita income, a broad indicator of living standards, rose from Rs 63,462 in fiscal 2012 to Rs 98,374 in fiscal 2023, at a CAGR of 4.1%. Per capita income increased by 7.6% and 6.3% in fiscal 2023 and fiscal 2022, respectively, after a decline of 8.7% in fiscal 2021. Growth was led by better job opportunities, and overall GDP growth. Moreover, population growth remained stable at approximately 1% CAGR from fiscal 2012 to fiscal 2023.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 RE	FY22 RE	FY23 PE	CAGR FY12-23
Per capita net national income (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	92,583	98,374	4.1%
On-year growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	7.6	6.3	-

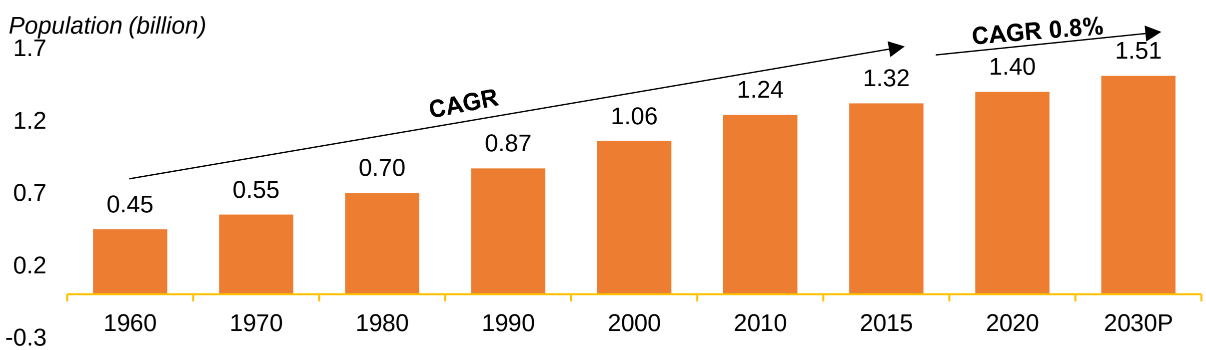
Note: RE: revised estimates, PE: provisional estimates
Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, CRISIL MI&A Research

India's population projected to grow at 0.8% CAGR between 2020 and 2030

India's population grew to approximately 1.2 billion according to Census 2011, at a CAGR of 1.9% over 2001-11. As per the 2011 census, the country had approximately 246 million households.

According to the United Nation's (UN) World Population Prospects, 2022 revision, India and China, two of the most populous countries, accounted for nearly 36% of the world's population in 2021. The report projects India's population to increase to 1.5 billion by 2030, at a CAGR of 0.8% over 2020-30. According to UN estimates, India surpassed China to become the most populous country in April 2023 with 1.425 billion people.

India's population growth



Note: P: projected

Source: UN Department of Economic and Social Affairs, World Population Prospects 2022, CRISIL MI&A Research

Indian population's median age to rise to 30.9 years by 2030

According to the UN, the global median age rose to approximately 30 years in 2020 from approximately 20 years in 1970. This is lower than the median age in developed countries such as the US (37.5 years) and the UK (39.5 years).

Interestingly, India's median age is 27.3 years, indicating a favourable demographic dividend. Furthermore, it is the lowest among its BRIC peers: Brazil (32.4 years), Russia (38.6 years), and China 37.4 years. This trend is expected to continue up to 2030, indicating the strong potential for an increase in income, and basic and healthcare spending, with a large proportion of the population being employed. The median age is expected to reach 30.9 years in 2030, indicating a higher mid-age working population.

Median age trend across key countries

Country	1970	1990	2010	2015	2020	2030P
Brazil	17.3	21.5	28.2	30.3	32.4	36.5
China	18.0	23.7	34.1	35.6	37.4	42.7
India	**18.3**	**20.0**	**24.0**	**25.5**	**27.3**	**30.9**
Russian Federation	29.7	32.2	36.9	37.6	38.6	42.1
UK	33.2	34.8	38.5	39.0	39.5	41.6
US	27.2	31.8	36.1	36.6	37.5	39.7
World	20.3	23.0	27.3	28.5	29.7	32.1

Source: United Nations, Department of Economic and Social Affairs, Population Division (2022); World Population Prospects 2022, CRISIL MI&A Research

India spends relatively very little on healthcare

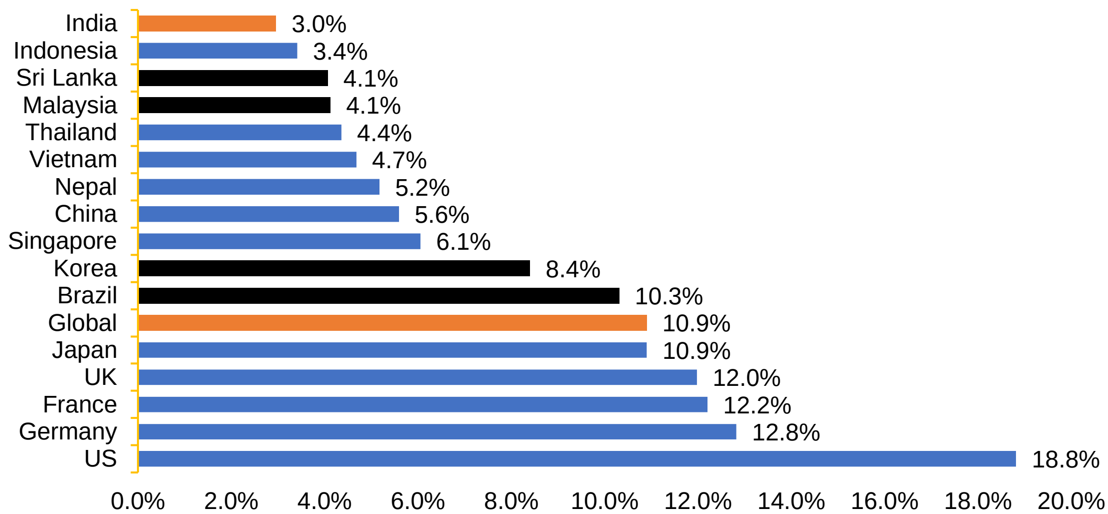
Global healthcare spending has been rising in sync with economic growth. As the economy grows, public and private spending on health grows, too. Further, an increase in sedentary work has heightened the risk of chronic diseases, which is also raising healthcare spending. This is evident specifically in fast-growing economies. The US, the UK, France and Germany are the top four nations with the highest healthcare expenditure as a percentage of GDP.

As per Global Health Expenditure Database compiled by the World Health Organization (WHO), global expenditure on healthcare increased slightly over 2011-2020. Globally, healthcare expenditure as a percentage of GDP increased from 9.4% in 2011 to 10.9% in 2020 due to availability of better medical facilities, advancements in medicine, and an increase in disposable income.

India's public spending on healthcare services is much lower than that of its global peers. In 2020, India's expenditure on healthcare was 3% of GDP; it trails not just developed countries such as the US and the UK and Singapore, but also developing countries such as Brazil, Nepal, Sri Lanka, Malaysia and Thailand. India's per capita healthcare expenditure (at an international dollar rate, adjusted for purchasing power parity) was only US$57 in 2020, as compared to US$11,702 for the US, US$5,619 for Canada, US$3031 for Korea, US$4,927 for the UK and US$3,537 for Singapore.

India lags peers in healthcare expenditure

Healthcare expenditure as % of GDP (2020)



Source: Global Health Expenditure Database – WHO, CRISIL MI&A Research

Per capita current expenditure on healthcare in US$ (2020)

India	57
China	583
Brazil	701
Global	1,535
Korea	3,031
Singapore	3,537
UK	4,927
Japan	4,388
France	4769
Australia	5,901
Germany	5,930
Canada	5,619
US	11,702

Source: Global Health Expenditure Database – WHO, CRISIL MI&A Research

Pharmaceutical expenditure constitutes approximately 35% of healthcare spending in India

Pharmaceutical care is constantly evolving, with many novel drugs entering the market. These offer alternative treatments and, in some cases, the prospect of treating conditions previously considered incurable. However, the cost of new drugs can be very high, with significant implications for healthcare budgets. In 2019, retail pharmaceuticals accounted for almost one-fifth of all healthcare expenditure and represented the third-largest spending component in Organisation for Economic Co-operation and Development (OECD) countries, behind inpatient and outpatient care. Most spending on retail pharmaceuticals is for prescription medicines (79%), with the remainder spent on over-the-counter (OTC) medicines (21%).

Pharmaceutical spending in key countries

Country	CHE as % of GDP (2020)	Pharmaceutical spending as % of CHE (2020)
US	18.8%	11.0%
Canada	11.0%	14.2%
UK	12.0%	10.6%

Country	CHE as % of GDP (2020)	Pharmaceutical spending as % of CHE (2020)
Germany	12.8%	13.6%
Spain	10.7%	15.1%
Italy	9.6%	17.6%
France	12.2%	13.6%
Brazil	10.3%	18.2%^
Australia	10.6%	11.9%
Mexico	6.2%	21.5%
Korea	8.4%	20.1%
India*	3.0%	35.1%

*Note: 1) CHE: Current healthcare expenditure; 2) *pharmaceutical spending as % of CHE is as per NHA estimates 2023; 3) pharmaceutical spending as % of health spending is as per OECD data; 4) ^data as of 2019*
Source: Global Health Expenditure Database – WHO, World Bank database, OECD, CRISIL MI&A Research

Healthcare expenditure accounts for 4.8% of private consumption spending

Personal healthcare expenditure increased from Rs 1,813 billion in fiscal 2012 to Rs 4,135 billion in fiscal 2022, supported by an increase in government schemes, health spending by states, an increase in income levels, and a rise in disease incidence. Healthcare expenditure in terms of constant prices logged an 8.6% CAGR between fiscals 2012 and 2022, considering the rise in prices of health products and services. Health expenditure as a percentage of total PFCE jumped to 4.8% in fiscal 2022 from 4.4% in fiscal 2019, as healthcare spending rose because of the covid-19 pandemic.

Healthcare spending in PFCE

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	CAGR FY12-22
Health PFCE (Rs billion, at constant 2021 prices)	1,813	1,987	2,167	2,484	2,735	3,085	3,218	3,481	3,750	3,708	4,135	8.6%
Share in total PFCE (%)	3.7%	3.8%	3.9%	4.2%	4.3%	4.4%	4.4%	4.4%	4.5%	4.7%	4.8%	-

Source: National Accounts Statistics 2022, CRISIL MI&A Research

ASSESSMENT OF GLOBAL MARKET

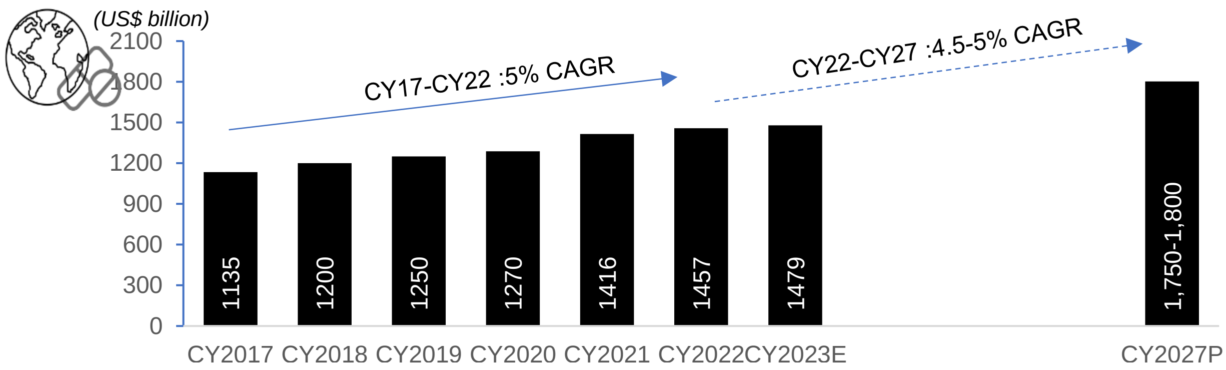
Overview of Global Pharmaceutical market

The global pharmaceutical industry is traditionally characterized by the concentration of consumption, production, and innovation in a relatively small number of high-income and developed regions like North America and Europe which continues to account for a major chunk of this market in value terms on account of higher priced drugs and newer products. However, over the past few years, production as well as consumption have picked up in middle-income countries, like India and China and Brazil; these "Pharmerging" markets also account for a significant share in volume consumption and have outpaced growth in high-income and developed markets. These emerging markets are now the strategic focus points for many multinational pharmaceutical companies, which is evident from pharmaceutical products exports from these countries. India and China had registered a 14% and 9% CAGR growth in pharmaceutical exports from calendar years 2017 to 2022, respectively. However, for pharmaceutical research and development (R&D), high-income regions continue to dominate expenditure in both the public and private sectors.

Global pharmaceutical market to grow at steady 4.5-5% CAGR from 2022 to 2027

Global pharmaceutical market has grown at a CAGR of 5% from approximately US$ 1,135 billion in calendar year 2017 to approximately US$ 1,457 billion in calendar year 2022. After showing strong growth in calendar year 2021 and 2022 on account of pent-up demand, the market is expected to moderate in the calendar year 2023.However, It is expected to sustain 4.5-5% CAGR growth over the next five years from 2022 to 2027 to reach approximately US$1,750 to1,800 billion in calendar year 2027. Globally, pharmaceutical companies are offering drugs for customized treatment and precision medicine for different diseases, which aims to provide medical care according to the patient's individual characteristics, needs, preferences, and genetic makeup. Also, generic medicines are seeing increased uptake with cost advantages and effective treatment options.

Global pharmaceutical market by value



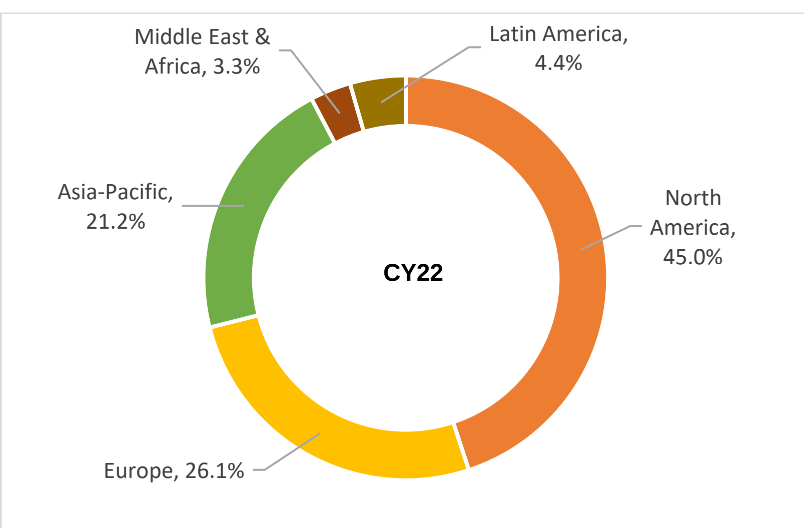
E:Estimated,P: Projected
Source: Pharma Company reports, CRISIL MI&A Research

Significant R&D spends to continue to boost pharmaceutical growth across major markets like US and Europe

Global pharmaceutical market is dominated by developed markets like North America and Europe supported by higher uptake of innovative medicines and increase spend on healthcare. These developed markets are characterised by research and development spend in the pharmaceutical industry. As per Pharmaceutical Research and Manufacturers of America (PhRMA), the United States biopharmaceutical industry has been one of the world leaders in the development of new medicines. The entire US biopharmaceutical and pharmaceutical industry invested an estimated ~US$ 122 billion in research and development (R&D) in CY20. Similarly, as per the European Federation of Pharmaceutical Industries and Association (EFPIA), in Europe, the pharmaceutical research & development investment was around approximately Euro 39.6 billion in CY20.

The emerging economies in Latin America and Asia-Pacific such as Brazil, China and India, are also witnessing rapid growth in the pharmaceutical market as a result of gradual shift of manufacturing and research activities from developed markets to these fast-growing markets. In India, along with developing capabilities via the inorganic route, companies are also looking at strengthening their in-house product pipelines through increased research and development (R&D) investment.

Segmentation of global pharmaceutical market based on region



Note: Overall pharmaceutical market was sized at US$ 1,457 billion in 2022
Source: Mordor Intelligence, CRISIL MI&A Research

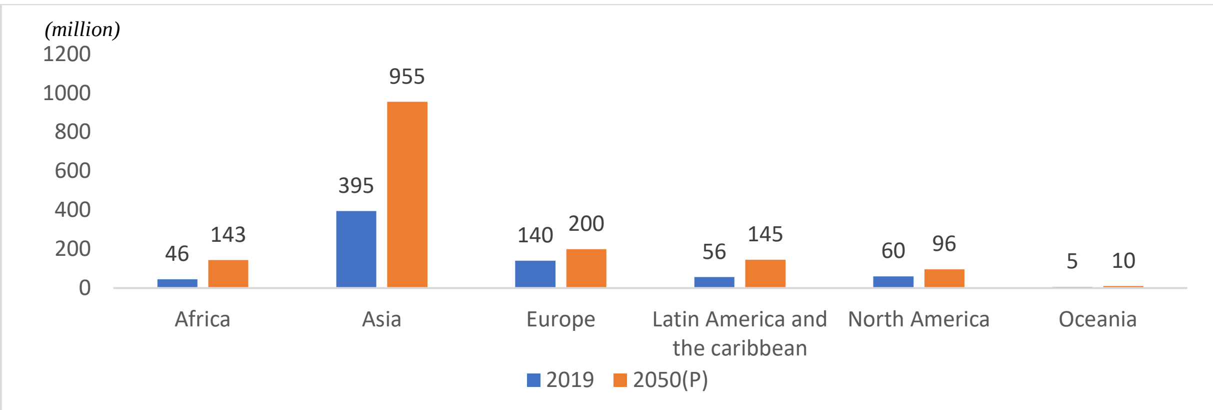
Key growth drivers for global pharmaceutical industry

The global pharmaceutical market is expected to be driven by the following factors: -

Rise in ageing population

According to the data from 'World Population Prospects: The 2019 Revision' published by the United Nations, the number of older people (aged 65 years or above) globally, is expected to more than double from 703 million in 2019 to 1.5 billion in 2050. Globally, the population group aged 65 years or over is registering faster growth rates than all younger age groups. Healthcare needs of the aging group which mainly consists of chronic diseases is expected to drive the growth of the global pharmaceutical industry.

Number of persons aged 65 years or over by geographic region, 2019 and 2050



P: Projected
Source: UN population ageing 2019, CRISIL MI&A Research

Incidence and prevalence of chronic diseases

Incidence and prevalence of chronic diseases are increasing rapidly all around the world. Rising incidences of diseases, such as cancer, cardiovascular diseases, obesity, and diabetes, are primarily observed and have a significant impact on the economy of the country, which is likely to drive the demand for pharmaceuticals. According to the Organization for Economic Co-operation and Development's (OECD's) Health at a Glance 2021 report, almost one third of people aged 16 years and over reported living with serious illness. Cardiovascular diseases are found to be most prevalent across the world and are the leading causes of death causing an estimated 17.9 million deaths each year. Growing cases of chronic diseases are expected to further increase the demand for drugs and accelerate the development of pharmaceuticals, globally.

Better access to medicine in emerging markets

As the world's population reaches closer to approximately 8 billion in the year 2023, per capita usage of medicine per person per day is also estimated to have increased. Much of the increased usage is driven by emerging pharmaceutical markets, such as China, India, Brazil and Indonesia, where substantial increase have been made in average medicine volume usage. India's level of medicine usage is a reflection of both a very basic healthcare infrastructure and the ease of access for medicines where even the most complex medicines can be readily available. The gap in average medicine usage between developed markets and emerging markets is closing, owing to reasons such as increased per capita income, improvement in healthcare infrastructure, and increase in insurance coverage. The rise of government safety nets and private insurance are also key factors that will increase medicine volume usage across emerging markets. The extent and pace of investments, both public and private, will be a key determinant of continued increase in medicine usage.

Strong development of generics market

Developed economies spend significant portion of their gross domestic product (GDP) on healthcare expenditure. Going forward, demand for pharma products in developed markets is expected to be driven by factors such as an ageing population and growing incidences of chronic diseases.

Healthcare reforms in the United States have resulted in higher insurance coverage and greater usage of generic medicines. The United States is the largest pharmaceuticals market for both innovator brands and generic drugs. It has been at the forefront of medicine research and healthcare spending. Driven by the Hax-Watchman Act, the generic drugs industry in the United States has grown tremendously over the years and was valued at approximately 125-150 billion in calendar year 2022. The Hax-Watchman Act is a United States federal law introduced in 1984 to regulate procedures for approval and marketing of generic drugs in the country. Driven by greater dependence on generic medicines and enactment of the Patient Protection and Affordable Care Act, growth in the generic drugs market in the United States is expected to continue.

Increased preference for affordable healthcare along with favourable regulatory environment for generic medicines such as the Hax-Watchman Act and Generic Drug User Fee Amendments (GDUFA) is expected to drive growth in the generic drugs market in the United States

In Europe, it is expected that austerity measures adopted by the government will continue to drive demand for generic drugs. The key growth driver for European market will be underpenetrated generic markets, such as Belgium (16.6%), the UK (28.0%), France (19.5%) and Germany (23.0%), which indicate tremendous untapped potential for growth of generic medicines.

Number of products going off patent in the United States to peak in 2024

The patent protection expiration of effective drugs aids the growth of generics formulation market. Pharmaceuticals players across globe track the patent exclusivity of the key drugs as research and development activities for these drugs start well in advance. The time-to-market of new products is an important source of pharmaceutical player's competitive advantage. Generic pharmaceutical companies tend to improve their market position by being first in the market when a patent on an original product expires. The expiry of patents for original products presents opportunity for generic companies and partner CDMO firms to launch generic versions of the products. The number of products going off patents in the United States from calendar years 2023 to 2028 are set out below:

Details on new drugs going off patent

Sr.No.	Year	Number of products going off patent
1	2023	433
2	2024	461
3	2025	427
4	2026	373
5	2027	165
6	2028	145

Note: Number of products going off-patent indicated the products which loose market exclusivity
Source: USFDA orange book files, CRISIL MI&A Research

Key trends in the global pharmaceutical industry

Pharmaceutical players building complex generics and specialty molecules portfolio

A complex generic is a generic that could have a complex active ingredient, complex formulation, complex route of delivery, or complex drug device combinations. Specialty drugs are high-cost prescription medications used to treat complex, chronic conditions such as cancer, rheumatoid arthritis, and multiple sclerosis. They can be used in rare or orphan disease indications. It may have unique storage or shipment requirements and might require additional patient education, adherence, and support beyond traditional dispensing activities.

With declining opportunity in the conventional generics segment and pricing pressures on the existing portfolios, it has become important for generic players to look for high-value and high-margin drugs. Players have been developing niche products in order to weather the impact of pricing pressure. Some of the leading global generic companies has a major pipeline of specialty drugs in order to mitigate the impact of base erosion in the US.

Growth of biopharmaceuticals in the global market

Biopharmaceuticals are complex medicines made from living cells or organisms, often produced using sophisticated biotechnological methods. The global biopharma industry has shown significant growth in the recent years. The efficacy and safety of biopharmaceutical products, combined with their ability to address previously untreatable conditions, allows biopharma companies to command high prices for these biopharmaceuticals innovative drugs. The share of biopharmaceutical drugs in global pharmaceutical market have accordingly grown from approximately 25% in 2016 to approximately 34% in 2021.

Strong demand for these products have helped pharma companies across the globe to realise higher revenues. Also many of the blockbuster drugs in the recent years have belonged to biopharmaceutical drugs like Humira and Keytruda.

Globally pharmaceutical players are diversifying the supply chains to adopt agile business environment

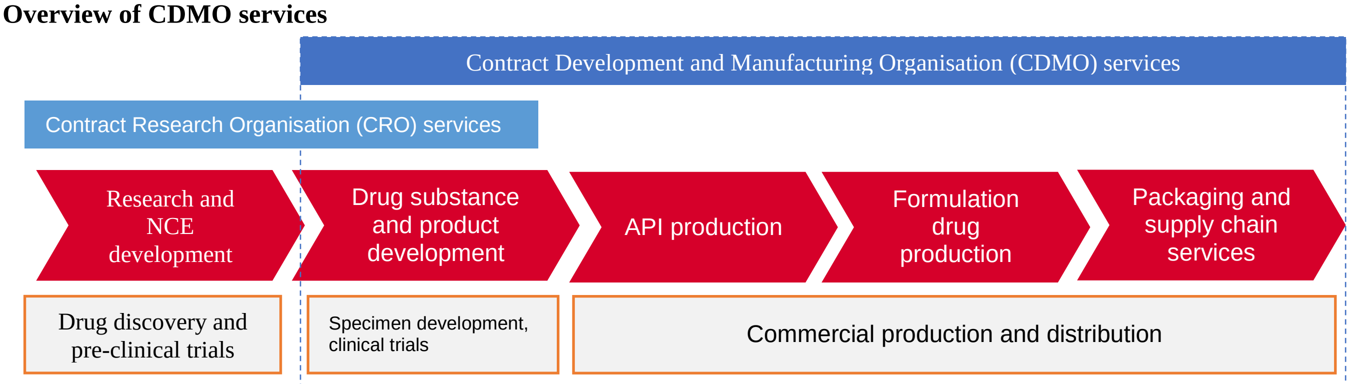
Chinese players had been forced to shift their manufacturing facilities inland and outside the cities as the government cracked down on polluting industries. With this, overall supply of bulk drugs and pharmaceuticals from China was impacted. Due to recurring quality and supply disruptions from China, following the Covid-19 pandemic, global customers adopted China+1 sourcing policy to secure their supply chains and reduce dependence on China. Globally players are looking for alternate supply destinations for their raw materials, which has given an opportunity for markets like India to establish itself as a reliable sourcing option. Players are also looking at sourcing options which are close to the manufacturing facilities so that supply chain disruptions will have least impact on the manufacturing capabilities of the business.

Overview of outsourcing in global pharma market

Contract Development and Manufacturing Organisation (CDMO) has emerged as a viable model for the global pharmaceutical industry. With increasing globalisation and focus of large players on cutting costs and optimising operations, CDMOs have seen significant acceptance in the industry worldwide over the past few years. With the growing demand for generic medicines and biologics, focus on reducing time to market (TTM), the capital-intensive nature of the business, and the complex manufacturing requirements, many pharmaceutical companies have identified the potential benefits of contract manufacturing and outsourcing manufacturing activities. Pharmaceutical companies are gradually outsourcing research and development (R&D) activities to academic and private Contract Research Organizations (CROs) to reduce drug-development timelines and costs.

Pharmaceutical companies are partnering with manufacturers in the emerging countries, due to the availability of skilled, low-cost manpower and quality data. Cost-cutting, chasing innovation, gaining access to specialised knowledge and technology, lower capex spend, increasing speed and agility are some of the significant factors encouraging the pharmaceutical companies to expand the level of formulation development outsourcing. Moreover, with increasing outsourcing activities, contract manufacturing companies are likely to gain advantages over in-house manufacturing facilities.

Overview of CDMO services



Contract research organisation (CRO) and CDMO offer outsourcing services to pharmaceutical research, development and manufacturing. CROs typically support pharmaceutical companies for drug and new chemical entity (NCE) development and clinical research and trials. CROs carry out patient recruitment for clinical trials, clinical monitoring, analytics of the data collected, biostatistics and regulatory consultations. CDMOs take over the formulation drug development and manufacturing activities. CDMOs which offers drugs development includes companies which conduct clinical trials, develop a specimen copy of the finished formulation and offer generic drug development for dugs going off-patent. Usually the drugs marketing companies transfers the process technology to the CDMOs and CDMOs in turn conduct the development and manufacturing activities on behalf of drug marketing company.

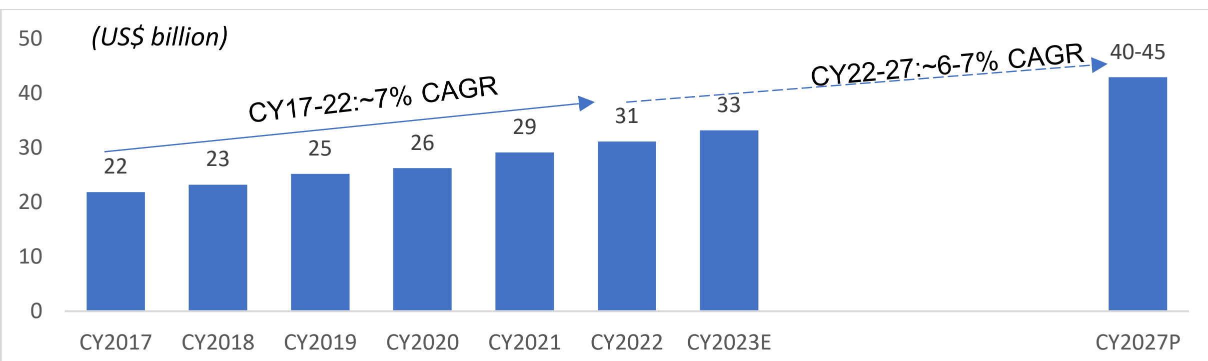
Global formulation CDMO market grew at a approximately 7% CAGR from 2017 to 2022 with increased outsourcing by big pharma companies

Global formulation CDMO market caters to specimen development, clinical trials, commercial production and distribution of formulation drugs. In value terms, global formulation CDMO market grew at a CAGR of ~7% from approximately US$22 billion in 2017 to approximately US$31 billion in 2022. As compared to a CAGR growth of 5% for the global pharmaceutical industry across the same period, the CDMO formulations industry grew at a faster pace, indicating increase in willingness for outsourcing. Increased outsourcing of formulations is mainly driven by advantages offered by the use of CDMOs, including reduction of time to market, cost-savings, ability to reallocate internal resources towards drug development, diversification of production sites and the reduction of complexity of business activities. Accordingly, the growth of CDMO market is expected to be not only attributed to the growth in the overall pharmaceutical industry, but also due to the shift towards increased penetration of outsourcing activities in the pharmaceutical industry.

Global formulation CDMO market to grow at a 6-7% CAGR from 2022 to 2027

The global CDMO formulations market is expected to reach US$ 40-45 billion by 2027, due to robust growth in the outsourcing space, aided by many large pharma players outsourcing their research and manufacturing to specialised contract manufacturing players. In addition, companies are increasing outsourcing formulations research and development activities to CDMOs. Rising penetration of generics along with development of newer molecules is expected to support the growth of the CDMO market in the near to medium term.

Review and outlook on global formulations outsourcing market



Note: E: Estimate, P-Projected

Source: Mordor Intelligence, CRISIL MI&A Research

Key growth drivers for the industry

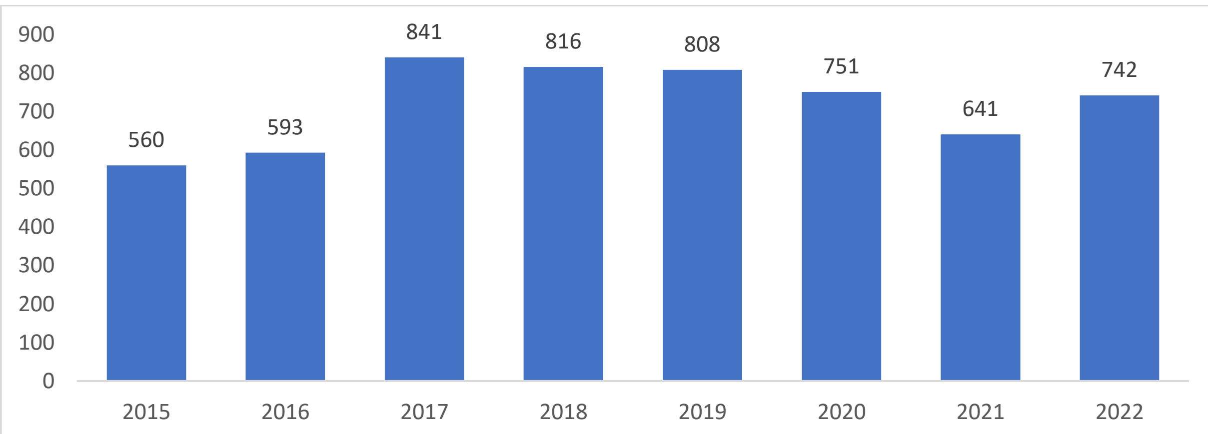
Growth in global pharmaceuticals market

The global pharmaceuticals market clocked a 5% CAGR between calendar years 2017 and 2022. The industry is expected to sustain this growth over the next five years to reach approximately US$1,750 to 1,800 billion in 2027, clocking a 4.5% to 5% CAGR between calendar years 2022 and 2027. With the growing pressure to develop and supply drugs in the competitive and high-investment pharmaceuticals market and to fulfil increasing global pharmaceutical demand, pharmaceutical companies are increasingly opting for outsourcing opportunities. This helps the companies manage complexity while reducing time to market, costs and risk. The API and formulation drug production segments account for the largest share of the global CDMO market and is expected to grow in future, owing to higher penetration and growing number of molecules, in both generics and patented categories across multiple therapies.

Growing demand for generics and biologics

With the growing demand for generic medicines and biologics, which is evident form increasing number of ANDA (Abbreviated New Drug Application) approvals from regulatory bodies like US FDA have aided the penetration of generic medicines in the regulated markets .In light of the capital-intensive nature of the business and the complex manufacturing requirements, many pharmaceutical companies have identified the potential profitability in contracting with contract manufacturing outsourcing organisations for formulation manufacturing. Pharmaceutical companies are also outsourcing R&D activities to academic and private contract research organisations (CROs) to reduce drug development timelines and costs.

ANDA approvals



Source: USFDA, CRISIL MI&A Research

Greater flexibility, reduced costs in the business models of large pharma companies

Pharmaceutical companies are partnering with manufacturing facilities in emerging countries to access skilled, low-cost manpower and quality data. Lower costs, greater innovation, access to specialised knowledge and technology, and increased speed and agility are some significant factors encouraging pharma companies to expand their level of formulation development outsourcing.

End-to-end service and technical specialties of contract manufacturers

CDMOs are investing in personnel, infrastructure, and technology to acquire a significant revenue share of the healthcare outsourcing market. An increasing number of end-to-end service providers to meet the rising demand for low-cost drug development and manufacturing is anticipated to propel market growth. Moreover, novel drug delivery mechanisms and new product launches are anticipated to drive formulation development outsourcing demand.

Increase in off-patent products to aid outsourcing segment

The patent protection expiration of effective drugs is one of the factors driving the formulation development outsourcing market's growth. The patent cliff will result in cheaper generic versions in the market, which will increase the demand for outsourcing. The expiry of patents for original products presents opportunity for generic companies and partner CDMO firms to launch generic versions of the products.

Key trends in the global formulation outsourcing industry

Rise in number of drug approvals

An increase in drug approvals by regulatory bodies is expected to fuel pharmaceutical formulation manufacturing activities. For instance, the USFDA approved 59 drugs in 2018, 48 in 2019, 53 in 2020,50 in 2021 and 37 in 2022. These new drug approvals are expected to accelerate formulation development outsourcing market demand as outsourcing allows the pharmaceutical clients to expand their technical resources without increased overhead. Furthermore, a large number of ongoing clinical trials have created numerous growth opportunities in the market for pharmaceutical manufacturing. For instance, according to the National Clinical Trials (NCT) Registry, as of October 2023, there were more than 469,500 ongoing clinical trials worldwide across different phases of development for the treatment of several disorders.

Details on new drugs approval

Sr.No.	Year	Number of new products approved
1	2018	59
2	2019	48
3	2020	53
4	2021	50
5	2022	37

Source: USFDA, CRISIL MI&A Research

CDMOs as integrated service provider

CDMOs are investing in personnel, infrastructure, and technology to acquire a significant revenue share of the healthcare outsourcing market. CDMO players are investing in technology and are becoming end-to-end service providers to meet the rising demand for low-cost drug development and manufacturing. Moreover, novel drug delivery mechanisms and new product launches are anticipated to drive formulation development outsourcing demand. CDMO are investing in noval areas like technology advancements and latest drug delivery mechanism to provide a better value proposition and occupy larger share in outsourcing market.

Increasing demand for diversified sourcing for supply stability

Recently, regulatory authorities across the world have strongly recommended pharmaceutical companies secure a source for stable drug production. For example, the USFDA requested pharmaceutical companies to establish a contingency plan, believing that supply stability cannot be guaranteed in case the drug is manufactured at a single site. Accordingly, pharmaceutical companies are making use of CDMOs to run multiple manufacturers for a single drug.

Asia Pacific becoming one of the key outsourcing destinations

Globally, pharmaceutical industry has been looking for different regions for contract manufacturing regions, apart from traditional contract manufacturing dominant regions such as North America and Europe. As a result, Asia pacific region is becoming one of the key destinations for outsourced manufacturing with presence of skilled workforce and certain cost advantages. Globally, industry players are looking at companies from countries like India and China for strategic partnership for outsourcing activities. Apart from cost advantages, growing consumption demand in end markets and increased expertise of region across pharma value chain is supporting Asia Pacific region in becoming key outsourcing destination.

Global CDMO market is highly fragmented with a large number of smaller players

Currently, the global CDMO market is characterised by high levels of fragmentation. Majority of the players in the market have annual revenue of less than US$ 50-100 million. The CDMO industry is highly fragmented with many small players and few large players. It is expected that the global CDMO industry will undergo a significant degree of consolidation in the future as pharmaceutical companies prefer to work with fewer suppliers in order to achieve better accountability and quality assurance.

Overview of major players in the global CDMO industry

Companies	Business overview	Plant locations	Revenue (US$ million)		
			CY2020	CY2021	CY2022
Lonza	Key Services/products offered: Small molecule, Mammalian and microbial Cell and gene technologies	Across the globe	6,588	5,916	6,512
Catalent	Key Services/products offered: Protein, cell, and gene therapy biologics; and consumer health products.	USA, Europe	3,094	3,998	4,828
Recipharma	Services/products offered: Sterile fill and finish, small molecule API, vaccine manufacturing	USA, Europe, India	1,201	1,211	1,292
Siegfried	Services/products offered: Oral solids, Steriles, Ophthalmic, Inhalation capsules	USA, Europe, China	900	1,206	1,287
Cambrex corporation	Services/products offered: Generic API, Conventional dosage forms, Analytical services	USA, Europe	NA	N. A	N. A
Aenova group	Services/products offered: Manufacture of Solid, Semi-solids, Steriles and Packaging	USA, Europe	856	825	789

Note: List above is an indicative list and not an exhaustive list

(1)

US$ to corresponding currency	2020	2021	2022
Euro (EUR)	0.88	0.84	0.95
Swedish krona (SEK)	9.22	8.57	10.12
Swiss franc (CHF)	0.94	0.91	0.96

Source: Company annual reports and websites, CRISIL MI&A Research

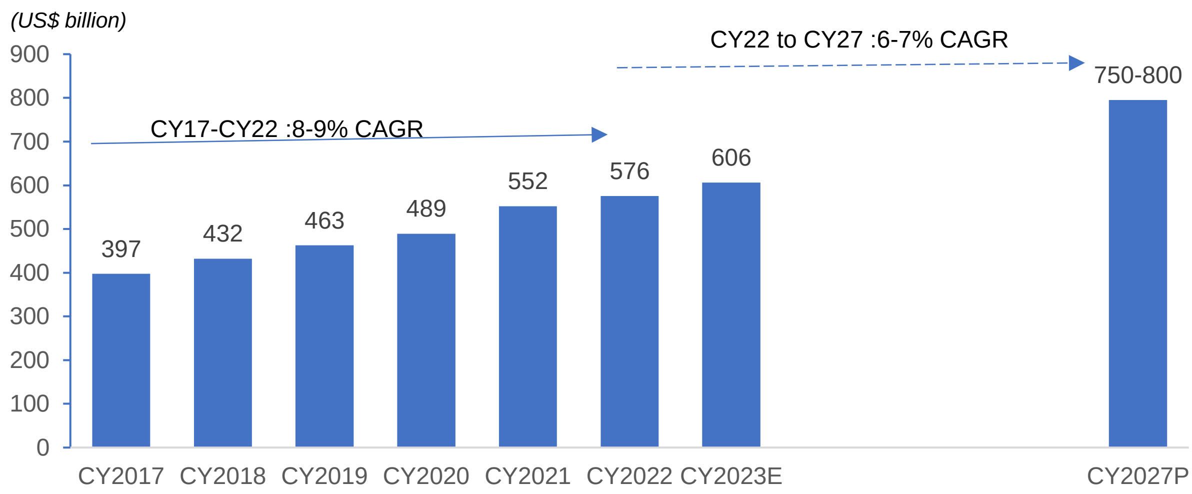
Overview of global Injectables industry

Injectables allow for user control over drug delivery to a particular location in a specific manner. The recent innovations in terms of pen injectors and auto injectors have helped make drug administering even more convenient, and safe. Growth of the injectable drugs market is currently being driven by various factors such as rising R&D, focus on the development of biotechnology-engineered anti-cancer drugs, rapid growth in the usage of pre-filled syringes for biologic products, and increased outsourcing activities across value chain expected to boost the supply of injectable products.

Global injectable market to grow at steady 6-7% CAGR from 2022 to 2027

Global injectables market has grown at a higher pace compared to overall global pharmaceutical market over the last five years (CY17-22). The global injectable market registered a CAGR of approximately 8-9% during the abovementioned period to reach approximately US$ 576 billion in CY22. CRISIL expects the market to grow at 6-7% CAGR to reach US$ 750-800 billion by the end of CY27. Rising adoption of injectable drugs from individuals suffering from chronic diseases such as cardiovascular diseases, autoimmune and inflammatory diseases, cancer, and infectious diseases is expected to boost the market growth. Oncology segment has also driven growth of the injectables segment since chemotherapy drugs are largely administered in injectables form. Growth in biologics and increase incidence of chronic ailments have supported the growth in the global injectables segment of the global pharmaceutical industry.

Review and outlook on global injectables market



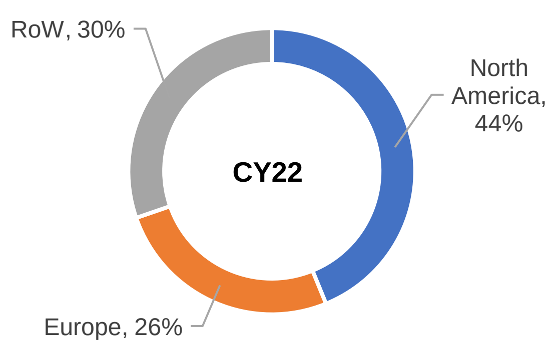
Note: E: Estimated, P: Projected

Source: CRISIL MI&A Research

North America to continue to remain the largest injectables market

North America region, the leading pharmaceutical market in the world. also accounts for the largest share of the global injectables market. In CY22, North America market is estimated to represent 44% share of global injectables market, which was followed by RoW(Rest of the world) and Europe markets at 30% and 26%, respectively. Growth in the North American market (particularly in the US)is mainly due to higher spends on research and development and incidence of chronic diseases.

Region-wise segmentation of global injectables market



Source: CRISIL MI&A Research

Growth drivers for global injectable market

Rise in chronic diseases

There is an increase in the prevalence of diabetes and other chronic diseases for which treatment is primarily administered using injectables. Diabetes and other chronic disease has seen major prevalence in the world population.

According to the Organization for Economic Co-operation and Development's (OECD's) Health at a Glance, the 2021 report, almost one third of people aged 16 years and over reported living with serious illness. According to the World Heart Federation report 2023, cardiovascular diseases are the leading cause of mortality and a major contributor to disability. Globally, the estimated number of deaths due to CVDs increased from around 12.1 million in 1990 to 18.6 million in 2019. In addition, 80% of the deaths occur in low- and middle-income countries. Cancer has also seen rapid rise among the world population. Oncology segment has also driven growth of the injectables segment since chemotherapy drugs are largely administered in injectables form.

Emergence of New drug delivery systems

The development of new injectables delivery devices has facilitated increased access to self-administered medications which are convenient and safe to use. NDDS helps the patients reduce frequency of their hospital visits. Apart from Diabetes, NDDS has also found applications in segments like Oncology and hormone therapy which entail delivery of multiple doses over the course of the treatment.

New therapeutic areas for Injectables

The market for injectables is growing for new ailments such as rheumatoid arthritis, multiple sclerosis, cancers and autoimmune disorders. Pharmaceutical players, especially in the injectable segment are investing in research and technology that will cater to formulations in this new segment of diseases.

Ease of administration

In an effort to deliver medication in an efficient and improved way with minimal side effects, there has been huge innovation in the field of Novel Drug Delivery Systems (NDDS). This thrust to provide safety, high efficacy reduction in side effect, patient compliance and other economic aspects have also created demand for self-administered medication. New type of injectable delivery devices such as auto injectors, pen injectors, pre-filled syringes (PFS) and needle-free injectors catered to this demand further propelling growth of the injectable market.

Key trends in global injectable market

Growth of biologics

Biologics are making robust progress in the pharmaceutical industry. Injectable in the pharmaceutical industry are witnessing increased adoption as the preferred drug delivery systems due to their ease of handling, less overfills and more safety to patients. In next few years, many biologic drugs are expected to witness patent expiry signifying a tremendous opportunity resulting in a surge in biosimilar and biologics product portfolio of the players which in turn is expected to rise demand for the injectables drug delivery devices for such formulations.

Increased focus on complex molecules

In recent years, pharmaceutical manufacturers have shifted focus to building capacities for complex and niche products due to the fading of opportunities in traditional molecules and presence of higher realisations in the complex molecules segment. Furthermore, investments are being made in development of complex molecules for treatment of diseases such as rheumatoid arthritis, multiple sclerosis, cancers and auto-immune disorders. Due to ease of administration and improved safety, injectables such as prefilled syringes are being used to administer these treatments which is likely to increase the demand for devices.

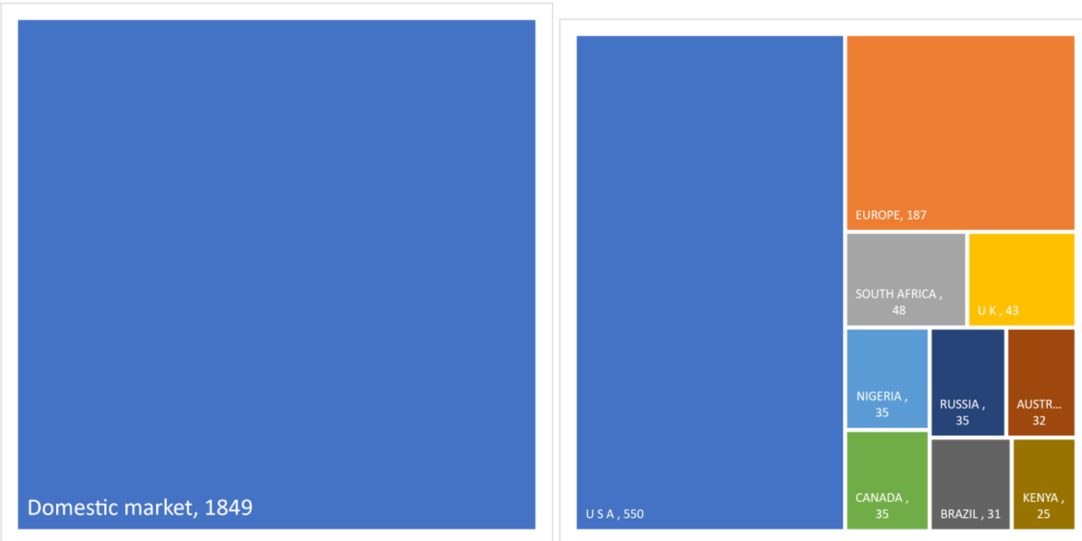
ASSESSMENT OF INDIAN PHARMACEUTICAL MARKET

Introduction to India’s pharmaceutical market

The Indian pharmaceutical industry is the world’s third largest by volume and was valued at Rs 3.6-3.8 trillion (including bulk drugs and formulation exports) as of fiscal 2023. The industry can be broadly classified into formulations and bulk drugs. Formulations can further be divided into domestic formulations and export formulations, both having almost an equal share in the market. At present, low-value generic drugs constitute a large part of Indian exports. India accounts for approximately 3.5% of total drugs and medicines exported globally, and exports pharmaceuticals to more than 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union and Canada. India has a complete ecosystem for the development and manufacturing of pharmaceuticals, with companies having state-of-the-art facilities and skilled/ technical manpower. Moreover, the country has several renowned pharmaceutical educational and research institutes and a robust ecosystem of allied industries.

Indian pharmaceutical industry (fiscal 2023) (Rs billion)

Domestic (54%) **Export (46%)**



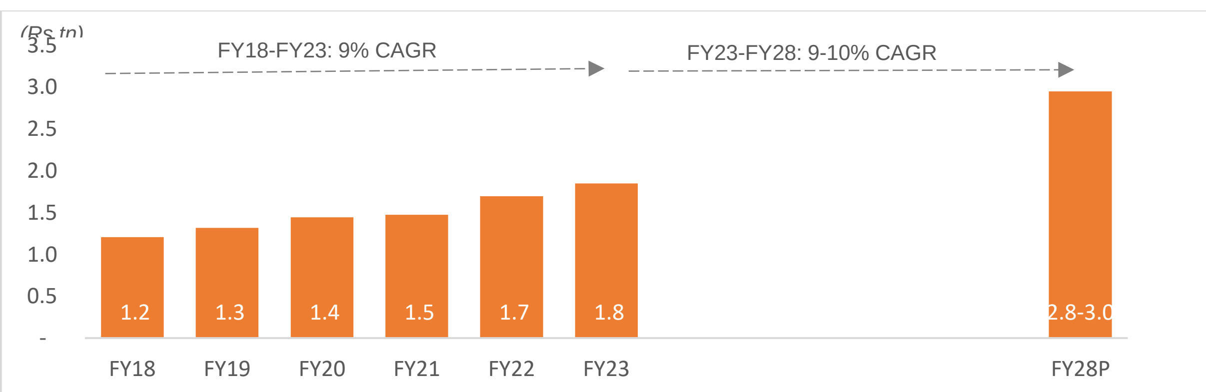
Source: DGFT, CRISIL MI&A Research

Overview and outlook of Indian domestic Formulation market

Domestic formulations market to grow at approximately 9-10% CAGR over fiscal 2023 to fiscal 2028

The Indian domestic formulation market has seen healthy growth in the recent times. As of fiscal 2023, the Indian domestic formulation market contributed to approximately 2-3% of the total global pharmaceutical market. Indian domestic formulations market (consumption) grew at a healthy rate at a CAGR of 9% from fiscal 2018 to fiscal 2023. The Indian domestic formulations segment (consumption) is expected to grow at a CAGR of 9-10% CAGR over the next five years from fiscal 2023 to reach approximately Rs. 2.8-3.0 trillion in fiscal 2028, aided by strong demand because of rising incidence of chronic diseases, increased awareness and access to quality healthcare.

Review and outlook of Indian domestic formulation market



Notes: P-Projected
Source: AIOCD AWACS, CRISIL MI&A Research

One of the key growth drivers for the Indian pharmaceutical industry is the increasing prevalence of non-communicable diseases such as cardiovascular disease, stroke, cancer, diabetes and chronic lung diseases. The chronic segment in general is expected to grow at a CAGR of 10-11% from fiscal 2023 to fiscal 2028. In addition, a growing population and, in turn, growing demand for medicine generally, is expected to fuel the growth of the Indian pharmaceutical industry. India is expected to become one of the leading countries in the world in terms of spending on medicine over the next few years. Along with the abovementioned factors, favourable initiatives and schemes from the Government of India to encourage companies to manufacture ingredients domestically (PLI scheme) will also support the growth of the domestic pharmaceutical industry.

Indian domestic formulation market by key therapies

Chronic segment is dominated by Anti-diabetic & cardiac while anti-infectives & gastro-intestinal are the top therapeutic segments in acute segment

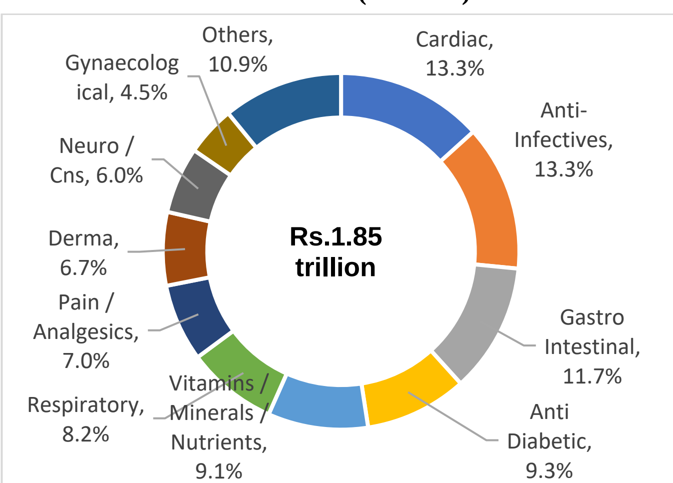
The Indian domestic formulation industry can be categorized into the chronic therapies segment and acute therapies segment. The chronic segment mainly comprises of anti-diabetic, cardiac, oncology etc. The acute segment mainly comprises of anti-infectives, gastro-intestinal, pain and analgesics etc.

As of fiscal 2023, chronic therapies and acute therapies constituted 55% and 45% of the total domestic formulation market, respectively. As of fiscal 2023, anti-diabetic and cardiac were some of the largest therapeutic segments catered by the Indian formulations industry in chronic therapies segment, together accounting for nearly one-fourth share of the Indian domestic formulation market. As the prevalence of chronic diseases have grown in the country, chronic diseases such as diabetes and cardiac disorders are more prevalent in the Indian population. Anti-diabetic constituted approximately 9% of all therapies catered by Indian domestic formulation market. Similarly, cardiac constituted to approximately 13% of all therapies catered by Indian domestic formulation market. Sedentary lifestyles along with poor dietary habits have resulted in growing incidence of chronic diseases in Indian population, which is expected to drive the growth of therapies such as anti-diabetic and cardiac in the next few years.

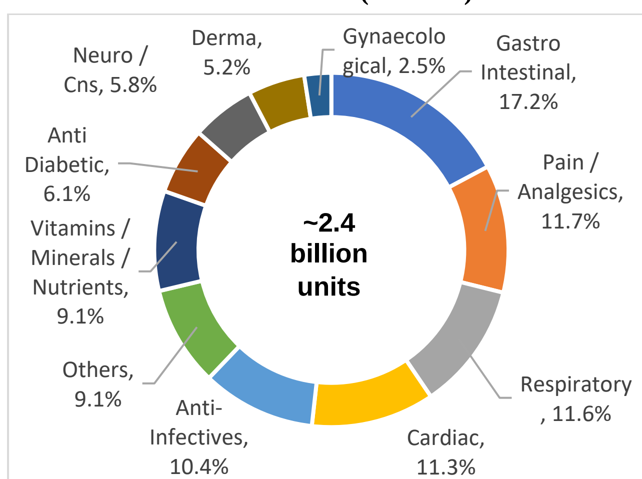
In the acute segment, anti-infectives, gastro-intestinal and pain and analgesics are some of largest therapeutic areas catered in the Indian domestic formulation market. The chronic therapies segment in the Indian domestic formulation market is expected to register higher growth at a CAGR of 10-11% from fiscal 2023 to fiscal 2028 than the acute therapies segment which is expected to register a CAGR of 9-10% from fiscal 2023 to fiscal 2028.

Segmentation of Indian Domestic formulation market based on key therapies (FY23)

Value terms (% share)



Volume terms (% share)



Source: CRISIL MI&A Research

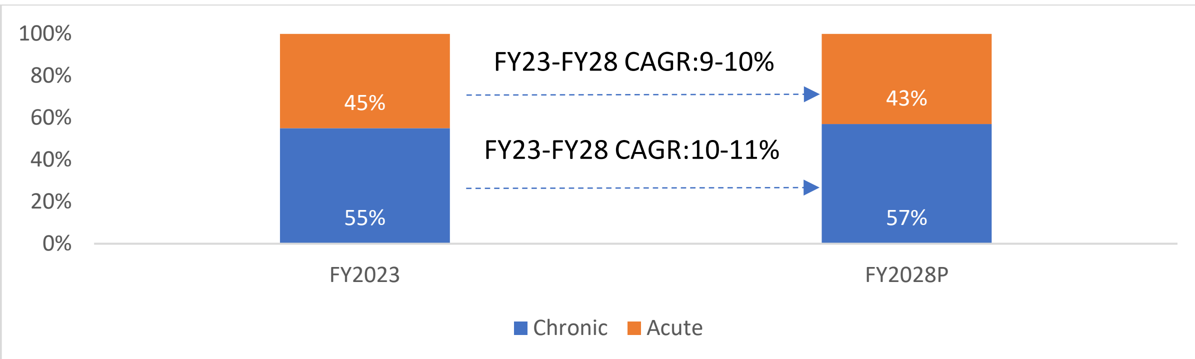
Top-10 therapy areas in domestic formulation market

Therapy Name	Share in total market FY18	Share in total market FY23	Share in total market FY28P	CAGR (FY18 to FY23)	CAGR (FY23 to FY28P)
Cardiac	12.1%	13.3%	14.0%	9.8%	10-11%
Anti-Infectives	13.9%	13.3%	12.2%	7.3%	8-9%
Gastrointestinal	11.4%	11.7%	12.4%	8.3%	10-11%
Anti-Diabetic	9.2%	9.3%	11.2%	9.3%	13-14%
Vitamins / Minerals / Nutrients	8.6%	9.1%	10.0%	8.5%	12-13%
Respiratory	7.5%	8.2%	9.1%	9.5%	12-13%

Therapy Name	Share in total market FY18	Share in total market FY23	Share in total market FY28P	CAGR (FY18 to FY23)	CAGR (FY23 to FY28P)
Pain / Analgesics	6.9%	7.0%	6.8%	7.6%	9-10%
Derma	6.7%	6.7%	6.1%	7.5%	8-9%
Neuro / CNS	6.1%	6.0%	6.7%	7.2%	12-13%
Gynecological	5.1%	4.5%	4.5%	5.2%	10-11%

Notes: P-Projected
Source: AIOCD AWACS, CRISIL MI&A Research

Chronic Vs Acute split in Indian domestic formulation market



Source: CRISIL MI&A Research

Top-15 players in Indian domestic formulation market sales (Fiscal 2023)

Sr.No.	Company Name	Key therapies provided
1	Sun pharma Industries Ltd.	Neuropsychiatry, Cardiology, Gastroenterology, Anti-Infectives, Diabetology, Oncology, Ophthalmology, Dermatology, Urology, Nephrology And Respiratory
2	Abbott India Ltd.	Anti-Infectives, Cardio-Diabetes, Gi & Hepato, Hormones Neuro-Psychiatric, Pain Mgmt., Respiratory, Women's Health, Hepatic, Neuroscience
3	Cipla Ltd.	Respiratory, HIV-Aids, Oncology, Cardiology
4	Cadila Healthcare Ltd (Zydus cadila)	Gastro-Intestinal, Cardiac, Anti-Malarial, Pain / Analgesics, Anti-Infectives, Virology
5	Mankind Pharma Ltd.	Cardiology, Anti-Biotics, Gastro-Intestinal, Anti-Allergic, Anti-Fungal, Ortho, Gynaecology
6	Lupin Ltd.	Anti-Tuberculosis, Anti-Diabetic, Cardiology, Respiratory, CNS
7	Alkem Laboratories Ltd.	Anti-Infective, Gastroenterology, Pain Relief/Analgesic, Anti-Diabetic, Cardiology, Dermatology, Neurology/Central Nervous System (CNS) And Vitamins, Minerals & Nutrients
8	Torrent Pharmaceuticals Ltd.	Diabetology, Pain Management, Gynaecology, Oncology and Anti-Infective
9	Intas pharmaceuticals Ltd.	CNS, Cardiovascular, Diabetology, Gastroenterology, Urology and Oncology
10	Dr. Reddy's Laboratories Ltd.	Oncology, Gastroenterology, Cardiovascular, Anti-Diabetic, Dermatology, Pain Management
11	Macleods Pharmaceuticals Ltd.	Anti-Infectives, Cardiovascular, Anti-Diabetic, Dermatology, And Hormone Treatment
12	Emcure Pharmaceuticals Ltd.	Anti-Infective, Cardiology, Vitamins, Anti-Diabetic, Anti-Retro Viral, Biologics,
13	Aristo pharmaceuticals Pvt.Ltd.	Antibiotics, Anti-Hypertensives, Anti-Diabetics, Gastroenterology, Pain Management, Nutraceuticals
14	GlaxoSmithKline Pharmaceuticals Ltd.	Anti-Infectives, Respiratory, Dermatology, Nutrition, Gastrointestinal
15	Glenmark Pharmaceuticals Ltd.	Dermatology, Respiratory and Oncology

Source: Company annual reports, CRISIL MI&A Research

Growth in chronic segment to continue to boost growth in medium term

Chronic disease care drugs (meant to treat many non-communicable diseases) are seeing high growth rates, primarily due to growth in the urban population, better awareness on healthcare, and greater penetration of services. Disability-adjusted life years lost for the Indian population reflect the shift in disease profile. The metric, published by the World Health Organization, is the number of life years lost due to premature mortality plus the number of years lived with disability.

Disability adjusted life years lost in India led by non-communicable diseases

Particulars	Disability adjusted life years (DALYs)	
Communicable diseases	**2009**	**2019**
Tuberculosis	3.8%	3.4%
Diarrheal diseases	6.7%	4.3%
Respiratory infections	10.2	7.7%
Non-communicable diseases		
Cancer	4.3%	5.8%
Diabetes	1.6%	2.7%
Mental disorders	3.7%	4.7%
Cardiovascular	10.5%	13.9%
Respiratory	4.8%	6.3%
Other non-communicable diseases	20.0%	24.5%
Total non-communicable diseases	**44.9%**	**57.9%**

Source: The Institute for Health Metrics and Evaluation (IHME) / Global Burden of Disease Tool, CRISIL MI&A Research

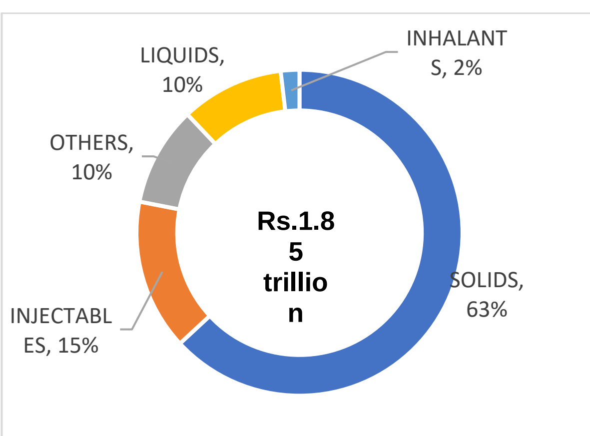
The data indicates a rise in the number of life years lost due to non-communicable diseases such as cancer, cardiovascular ailments, diabetes, and mental disorders between 2009 and 2019 in India. Conversely, life years lost due to diarrhoea, tuberculosis, and respiratory infections in India across the same period have dropped. CRISIL expects this shift in the disease profile to continue in the future.

Oral solids account for major share of the domestic formulation market

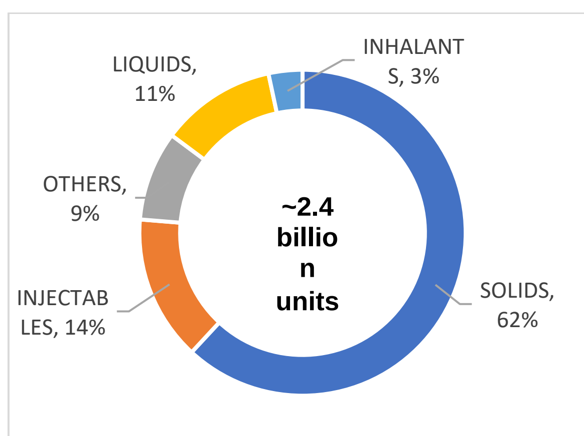
In dosage terms, oral solids dominate the domestic formulations industry with approximately 63% share in value terms and 62% in volume terms in fiscal 2023. Similarly, the injectables segment constituted 14-15% (in value terms) and approximately 14% (in volume terms) of all dosage forms catered by domestic formulations industry in fiscal 2023. Whereas dosages such as liquids and inhalants constituted approximately 10% and 2%, respectively, of the domestic formulation industry during the aforementioned period in value terms.
Oral solids are expected to maintain their large share in the Indian domestic formulation market with 64-65% share by fiscal 2028, owing to traditionally being the largest segment as well as innovative developments in the oral solid space such as complex dosage forms (sustained release forms, microcapsules, bilayer tablets etc.). On the other hand, injectables are expected to constitute 14-15% share of the Indian domestic formulation market by fiscal 2028.

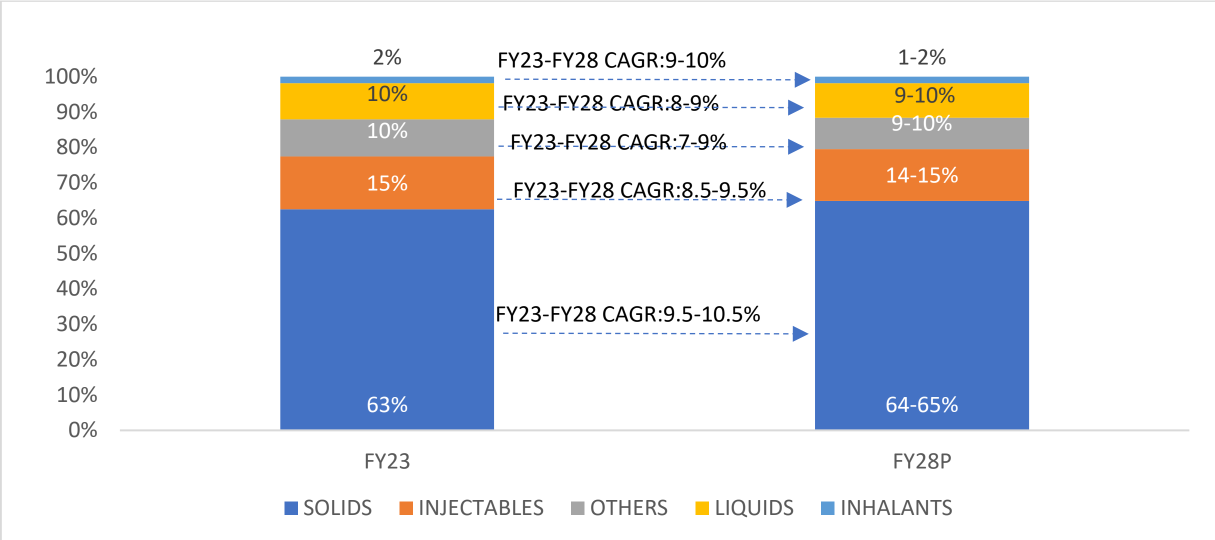
Dosage-wise segmentation of domestic formulation market (FY23)

Value terms (% share)



Volume terms (% share)



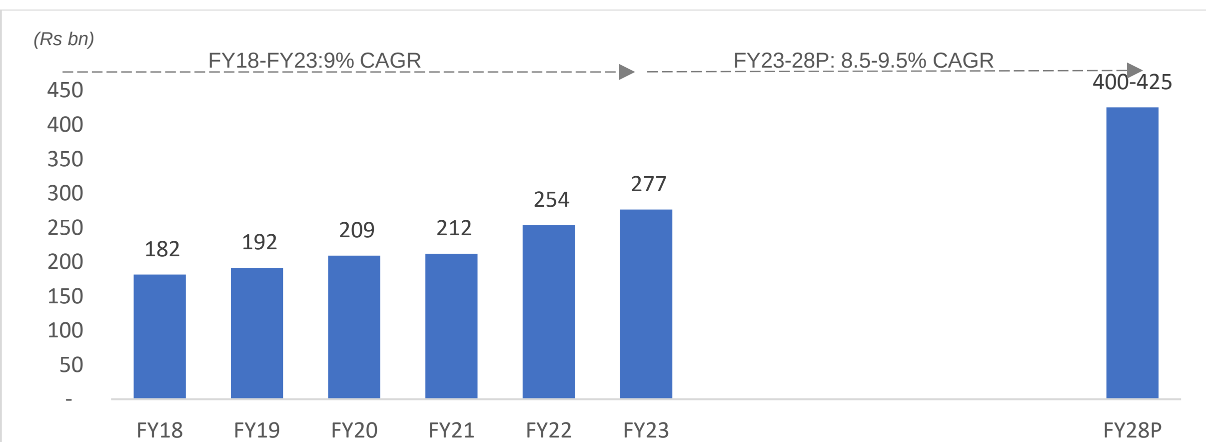


Note :P-Projected

Source: CRISIL MI&A Research

Overview of Injectables segment in Indian domestic formulation market

Injectables are the second largest dosage form in the Indian domestic formulation market with share of approximately 14-15% as of fiscal 2023. Injectables have gained importance in the recent year in the Indian pharmaceutical market with invention of newer drug delivery systems and development of complex injectables. Indian pharmaceutical companies are also developing and investing in new complex molecules in the injectables formulation segment.



Notes: P-Projected
Source: CRISIL MI&A Research

Indian injectable market expected to grow at 8.5-9.5% CAGR from fiscal 2023 to fiscal 2028

Indian injectables market in Indian domestic formulation industry has recorded steady growth in recent years. The market grew at a CAGR of 9% from R. 182 billion in fiscal 2018 to Rs. 277 billion in fiscal 2023. Going ahead, the Indian injectables market is expected to grow at a CAGR of 8.5-9.5% over the next five fiscal years from fiscal 2023 to fiscal 2028 to reach Rs. 400-425 billion by fiscal 2028. Novel delivery systems and increased incidence of chronic disease is expected to drive the growth in the Indian injectables industry. In addition, some of the key research areas like new forms of drug delivery systems as well as emergence of self-administered injectables is expected to drive demand in the Indian domestic injectables segment.

Key growth drivers for the Indian domestic formulation industry

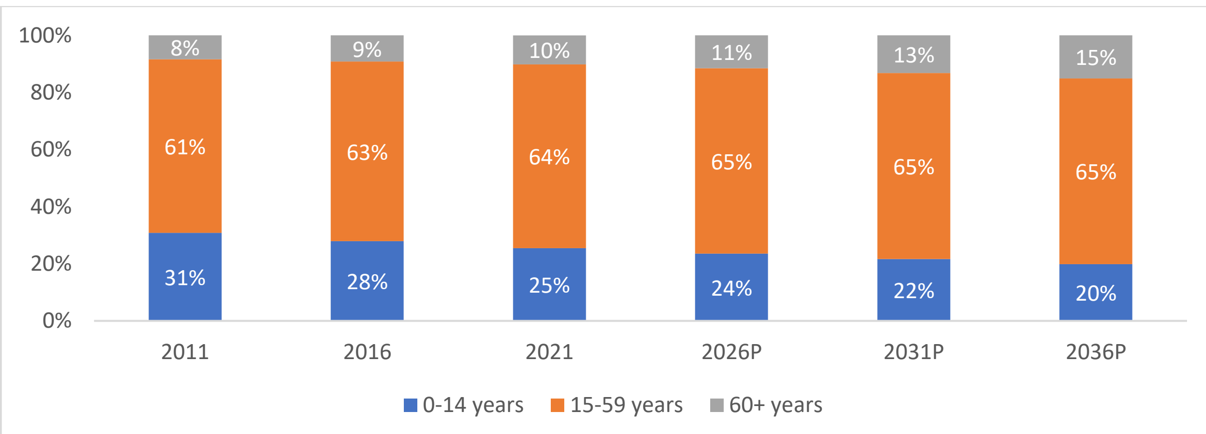
With life expectancy improving and changing demographic profile, healthcare services a must

With improving life expectancy, the demographic of the country is also witnessing a change. As of 2011, nearly 8% of the Indian population was of 60 years or more, and this is expected to surge to 11% by 2026 and 13% by 2031.

According to the Report on Status of Elderly in Select States of India, published by the United Nations Population Fund (UNFPA) in September 2023, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, over 30 percent of the elderly women and 28 percent of the men suffered from one chronic morbid condition and nearly one fourth (across both sexes) suffered from more than two morbid conditions.

With the Indian population expected to grow to approximately 1.4 billion by 2026, it is imperative to ensure availability of healthcare services to this vast populace. This is expected to present substantial growth potential for the Indian domestic formulation industry.

Trend and outlook on age-group wise segmentation of Indian population

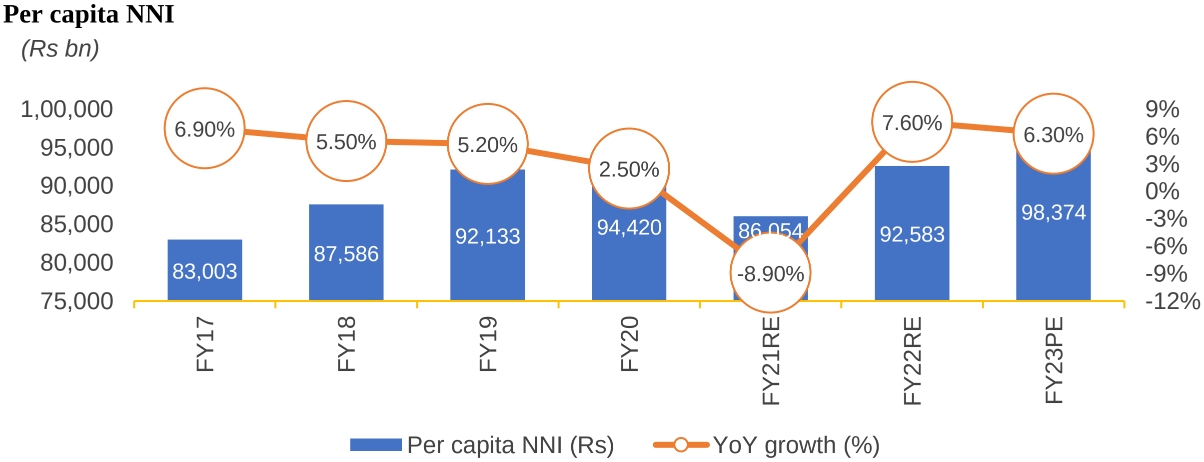


Source: Census, CRISIL MI&A Research

Rising income levels along with strong awareness for health has resulted in people seeking quality healthcare services

The Covid-19 pandemic had caused a temporary setback to the Indian economy in FY21, leading to a decline in NNI per capita. However, the economy rebounded in FY22, with NNI per capita rising 7.6% on-year to Rs 92,583. Furthermore, net national income (NNI) per capita further increased to Rs 98374.. With rising income levels and health awareness people are seeking better and quality healthcare services. This includes availing of better hospital services, better medicine and pharmacy services.

Per capita NNI

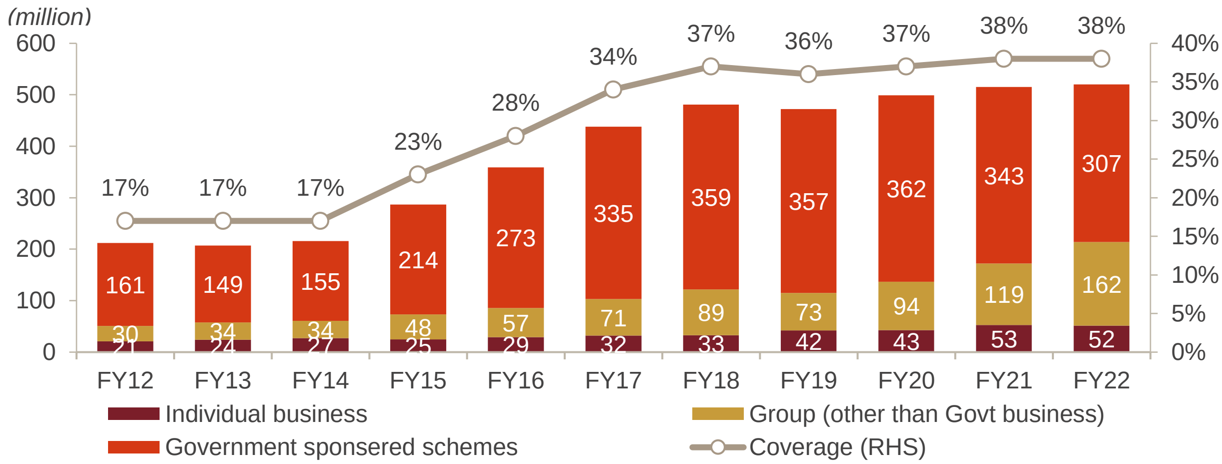


RE: Revised estimates, AE: Advance estimates; PE: provisional estimates
Source: Provisional Estimates of Annual National Income, 2022-23, CSO, MoSPI, CRISIL MI&A Research

Improvement in health insurance penetration in India

The health insurance penetration in India has seen improvement in recent years. As per the Insurance Regulatory and Development Authority (IRDA), nearly 521 million people have health insurance coverage in India (as of fiscal 2022), as compared to 288 million (as of fiscal 2015). Despite this robust growth, health insurance penetration in India stood at only 38% in fiscal 2022. With growing awareness for healthcare and government sponsored schemes health insurance penetration in India is expected to reach approximately 46% in fiscal 2025. This is expected to aid growth in the overall healthcare industry in India.

Population-wise distribution amongst various insurance business (in million)



Note: Coverage represents insurance penetration levels in India i.e., no. of individuals covered.

Source: IRDA, CRISIL MI&A Research

Government or government-sponsored schemes such as the Central Government Health Scheme (CGHS), Employee State Insurance Scheme (ESIS), Rashtriya Swasthya Bima Yojana (RSBY), Rajiv Arogyasri (Andhra Pradesh government), Kalaignar (Tamil Nadu government), and etc. account for 60% of health insurance coverage provided. The remaining is through commercial insurance providers, both government (Oriental Insurance, New India Assurance, etc.) and private (ICICI Lombard, Bajaj Allianz, etc.).

Key risk factors and challenges for the Indian pharmaceutical industry

Changes in government regulations

Pharmaceutical industry is highly regulated as it deals with health of human life. The pharmaceutical industry entails higher requirement of certification and approvals, such as drug regulatory approvals, product (drug) effectiveness testing, biological and chemistry testing, manufacturing plant certifications, quality standards, entry to market qualification, etc.

The Indian Government has been taking various steps to control the prices of drugs and make it more affordable to consumers. Between fiscal 2014 and fiscal 2015, the industry saw drug prices being regulated for more than 500 medicines under the Drug Price Control Order (DPCO), thereby negatively impacting the industry. Drugs under the National List of Essential Medicines (NLEM) comprised approximately 20% of the overall domestic pharmaceutical market. Currently, prices of about 900-1000 scheduled formulations have been fixed by the Government so far.

Fluctuation in foreign exchange rates

The volatility in currency has an impact on formulation exports realisations as well as on import of raw materials. As at fiscal 2023, India's formulation exports constitute approximately 46% of the overall pharmaceuticals industry and approximately 71% of the intermediates are imported from China. Although the large export-based players typically hedge against currency volatility, smaller players generally do not have any hedging policies. Small players rely solely on natural hedging (assuming increase in cost of material will be equal to increase in realisations and vice versa), which in many cases currency volatility might impact their profitability.

Dependence on China for imports

As of fiscal 2023, India imported approximately 71% of intermediaries required for active pharmaceutical ingredients (API) from China.

Over the past few years, many chemical-based companies in China have shut down due to failure to meet environment norms. Further, Covid-19 led disruptions during February and March 2021 in China further disrupted supplies. Any such further disruptions in the bulk drug industry will adversely impact the Indian API industry and consequently the formulations industry.
Further, the Chinese bulk drug industry receives extensive support from the Chinese government in the form of subsidies. Any change in the relevant policy in China will also lead to pressure on margins for the Indian players.

Domestic formulation industry is highly fragmented; manufacturing bases concentrated in few states

The domestic formulations industry is highly fragmented in terms of both number of manufacturers and products. Over 100,000 drugs across various therapeutic categories are produced annually in India. In terms of number of manufacturers, there are 300-400 organised players and about 15,000 unorganised players in the industry, with organized players dominate the market in term of sales. Traditionally, Indian pharma companies operate largely in a few states, including Maharashtra, Gujarat and Andhra Pradesh. After the imposition of an MRP-based excise duty system in 2015, many players have shifted their manufacturing bases to excise-free zones such as Baddi (Himachal Pradesh), Haridwar (Uttaranchal) and Sikkim.

Pricing pressure in the US market

Wholesale consolidation in the United States pharmaceutical market has led to lower bargaining power for Indian players thereby exerting pricing pressures. Only three players in the United States pharmaceutical market held approximately 90% of the market share in 2022.

Further, faster Abbreviated New Drug Application (ANDA) approvals due to implementation of Generic Drug User Fee Amendments (GDUFA) has led to more players entering the US generic pharmaceutical market, thereby putting pressure on realisations.

Compliance with US FDA regulations

Adherence to good manufacturing practices (cGMP) prescribed by the US FDA and maintenance of data integrity remain key challenges for the Indian players. High number of warning letters were imposed on Indian players by US FDA in 2013 and 2014, resulting in Indian players hiring US-based consultants to advise on compliance with the US FDA regulations. Thereafter, the larger players have already taken substantial steps to implement corrective measures and make their facilities US FDA compliant. US FDA audit will still be challenging for mid and small-sized players, as their adherence to regulations is likely to be lower when compared with large players. On the other front, maintaining data integrity will remain a key concern, as it is a human resource issue and achieving organisational change within a short span of time is likely to be difficult.

Price control regulations in the Indian pharmaceutical market

The Drug Price Control Order (DPCO) fixes the ceiling price of some APIs and formulations in the Indian pharmaceutical market. APIs and formulations falling under the purview of the legislation are called scheduled drugs and scheduled formulations. The National Pharmaceutical Pricing Authority (NPPA) collects data and studies the pricing structure of APIs and formulations and accordingly makes recommendations to the Ministry of Chemicals and Fertilisers.

The new Pharmaceutical Policy, notified in 2012, was put out as the final price notification in May 2013, bringing 348 essential drugs in the National List of Essential Medicines (NLEM), under price control. A big change was made compared to earlier pricing policy with the introduction of cost controls on final market prices of formulations compared instead of cost-based controls on Bulk drugs in the previous pricing policies.

Under the policy, the ceiling price for each drug under control would be fixed as the simple average price of brands having more than 1 per cent market share (by value) in the sales (MAT - Moving Annual Turnover) of that particular molecule. Thus, prices of brands which are higher than this ceiling will need to be lowered. The ceiling prices will be allowed an annual increase as per the Wholesale Price Index (WPI). Prices will be recalculated using MAT only once in five years or when the NLEM is updated. In September 2022, revision to the NLEM was announced which increased total number of essential medicines to 384 from 376 included in NLEM 2015. Drugs under the National List of Essential Medicines (NLEM) comprised estimated ~15-20% of the overall domestic formulation market in fiscal 2023.

Recent trends in Indian pharmaceutical industry

Growth in outsourcing trend and its advantages to larger players

Pharmaceutical companies are always under pressure to commercialize their products as early as possible. One of the key strategies for accelerating new products in the healthcare industry is outsourcing. Outsourcing, or the use of contract services, allows sponsor organizations to access technology, capacity, resources and expertise that may not be readily available in-house. Pharmaceutical manufacturers and developers of all extents, but chiefly the leading international pharmaceutical companies, now regularly outsource many functions and tasks earlier thought-to-be in-house principal proficiencies.

The extent of outsourcing in India is estimated to be 35-40% in the pharmaceutical industry in fiscal 2023.Outsourcing has developed as an industry trend, and now comprises the full range of corporate activities – from screening and lead identification to toxicology and several other processes like preclinical studies, clinical trials, manufacturing, and marketing at all scales. Outsourcing also allows a sponsor to pursue multiple projects concurrently due to the additional resources available from the contract provider. Access to a contract provider and implementation of a sound outsourcing strategy can result in a successful project that meets (or even exceeds) a sponsor's original expectations. Outsourcing helps big pharmaceutical company reduce costs as they do not have to invest in the capex for every product that they commercialize, and it also saves time in setting up their own manufacturing facilities. Generally, CDMOs can manufacture the products at a lower cost due to their economies of scale.

Asset light model and cost control

Maintaining an asset-light business model for larger pharmaceutical players means outsourcing capital intensive activities, such as manufacturing, storage and logistics, to specialist organizations. Such outsourcing helps companies to focus on their core activities, such as growing their portfolio of products and investment in other products. Under an asset light business model, pharmaceutical companies outsource activities right from molecule research and development to commercial manufacturing of the particular drug.

Research and development of molecules is time-consuming. By outsourcing such activities, pharmaceutical players are not required to own the facilities for prolonged period of time, hereby saving costs. In addition, pharmaceutical companies can benefit from flexible contracts with the outsourcing players.

Time to market

The time-to-market of new products is an important source of pharmaceutical player’s comparative advantages. Generic pharmaceutical companies in particular tend to improve their market position by being first in the market when a patent on an original product expires. Research and development for the pharmaceutical companies has been the area that takes significant amount of time.

For pharmaceutical companies it is important that they reduce the time between developments of molecule to its commercialization. This essentially means companies are using technologies and resources to reduce the time it takes for a developed molecule to reach the end user. Working with agile and adoptive approach may help pharmaceutical companies in reducing time to market of the product.

Agility and Flexibility

Flexibility and agility in business relate with the dimensions of choice and speed at various levels in the conduct of the business. These are required in view of changing business situation, customer needs, market dynamics, and competition. As a result of the Covid-19 pandemic, businesses are required to be more flexible in their processes especially in areas such as supply chain. This is particularly the case for pharmaceutical industry since the value chain from research and development to final product is long. Indian Pharmaceutical industry is heavily dependent on imports for the raw material required in the manufacturing process. Due to the Covid-19 pandemic, many players in the industry are diversifying their sources in order to bring more flexibility to their supply chains and the other business processes.

With evolving business scenario in Indian pharmaceutical industry, companies have to bring in the new technologies and processes in order to stay relevant in the industry. In addition, pharmaceutical companies in India are subjected to various regulatory norms from countries including the United States, the United Kingdom and PIC (Pharmaceutical Inspection Convention). With ever changing regulatory environment pharmaceutical companies must be agile enough to respond and comply with these changes.

ESG compliance in the Indian pharmaceutical market

The pharmaceutical sector can have a significant impact on the environment owing to greenhouse gas emissions, water use and waste generation. The sector's social impact is characterised by impact on the health and wellbeing of consumers due to its products and on employees and local community on account of its operations.

Many of the companies in Indian pharmaceutical sector has undertaken focussed efforts towards energy conservation and reduction in CO2 emission. There is growing importance of ESG among investors and lenders. Pharma sector's continued commitment to ESG principles will play a key role in enhancing stakeholder confidence and ensure ease of raising capital from markets where ESG compliance is a key factor.

Overview of Indian formulation exports market

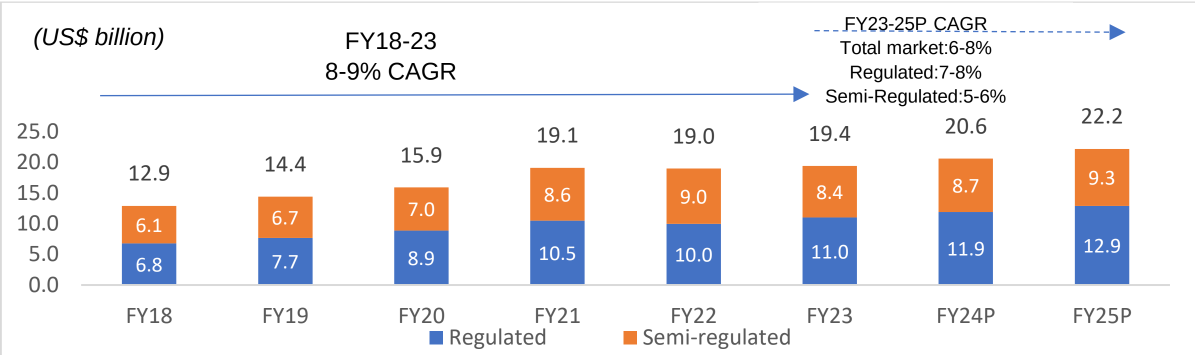
New product launches, complex generics, specialty drugs to drive formulation exports growth over medium term

CRISIL expects India's formulation exports to increase at a CAGR of 6-8% from fiscal 2023 to fiscal 2025, compared to a CAGR of 8-9% over the previous five years from fiscal 2018 to fiscal 2023. The growth moderation is expected due to pricing pressure in the United States in the near to medium term. However, new product launches in conventional generics, complex generic products and specialty drugs are expected to drive India's formulation exports growth.

Manufacturers launching complex and specialty drugs and those receiving limited competition drug approvals would also enjoy higher growth. Incremental revenue for formulation exporters would be supported by new launches in the conventional generics segment. Even though pricing pressure for generics persists, it is expected to reduce in near to medium term. Complex generic products are hybrid drugs whose authorization depends partly on the results of the tests on the reference medicine and partly on new data from clinical trials and are expected to have same clinical effect and safety profile as the branded drugs. Complex generic drugs and 'value-added generics' enable the manufacturers and marketeers to provide a differentiated product to the market with improved safety, efficacy and cost. Further, the development and manufacturing of complex generic products typically involves a higher degree of expertise and trained manpower and also utilizes higher overall process times which is also reflected in higher margins in comparison to conventional products. In addition, the manufacturing of complex generics provides for higher profitability owing to limited competition with presence of only a few players.

Formulation exports increased by approximately 19% on-year during fiscal 2021 in spite of increased scrutiny by USFDA on the regulatory front in the past couple of years. During fiscal 2022, pricing pressure in the US resulted in exports remaining flat over the previous year. However, strong exports to Europe and semi-regulated markets have helped somewhat offset the US decline. After witnessing flat growth in fiscal 2022 over a high base of fiscal 2021, formulation exports grew by approximately 3% during fiscal 2023. However, exports are expected to witness recovery on account of easing pricing pressure and new product launches and post a moderate growth of approximately 6-8% between FY23 and FY25.

Formulation export trend for India

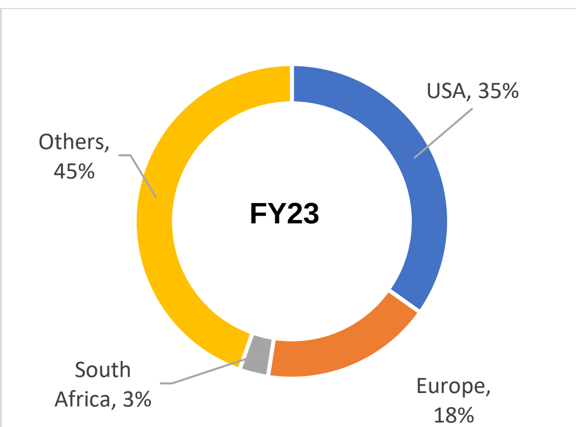


Note: P: Projected
Source: The Directorate General of Commercial Intelligence & Statistics (DGCIS), CRISIL MI&A Research

US occupies a major share in Indian formulation exports

In terms of formulation exports, United States (US) stands as the major importer of formulations from India. Share of the US in the overall formulations stands around 35-36%. In value terms, exports to US have grown at a CAGR of approximately 8-9% from fiscal 2018 to fiscal 2023. European union (including United Kingdom) and South Africa stand as the next major importers of formulations from India.

Share of US in Indian formulation exports



Note: Europe includes UK
Source: The Directorate General of Commercial Intelligence & Statistics (DGCIS), CRISIL MI&A Research

Formulation exports to regulated markets

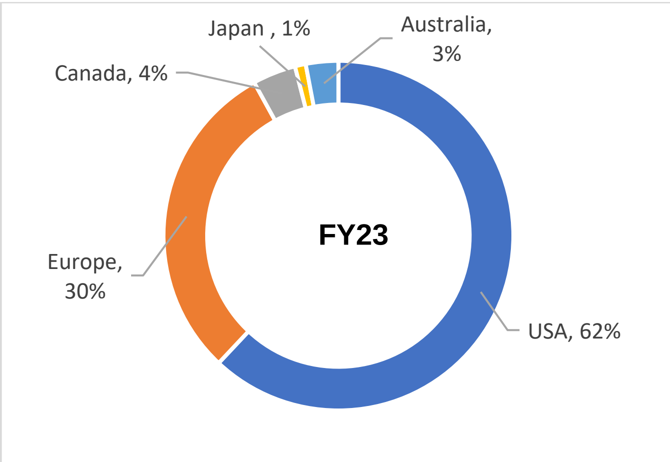
Exports growth to remain moderate in near term

Exports to regulated markets contracted by 4% during fiscal 2022 after growing by 17% during the previous year. Along with a high base, the decline was primarily attributed to the de-growth in the US markets which contracted by 10% on account of continued pricing pressure. The price decline in generics is estimated to be in the range of 8-12% during fiscal 2022. The impact of pricing pressure has been further exacerbated by lower abbreviated new drug application (ANDA) approvals and fewer new drug launches.

India's exports to regulated markets are set to grow by around 6-8% during fiscal 2023 to fiscal 2025. Growth is likely to be supported by the launch of new products in the US market and the expected easing of pricing pressure. Exports to Canada and Japan are expected to boost the growth in overall exports due to increasing demand in these markets. In the medium term, with companies focusing on complex generics and specialty products, pricing pressure is expected to abate. Continued launch of new products across regulated markets is expected to support the growth.

Formulation exports to the regulated markets are expected to gain momentum, as the focus of manufacturers on niche molecules, specialty drugs, complex generics, and bio-similar is expected to drive growth in the long term.'

India's formulation exports: Share in regulated markets (FY23)



Source: CRISIL MI&A Research, DGCIS

Focus on specialty and niche products to boost exports to the US in medium to long term; US pricing pressure to hit formulation exports in the near term

The US market accounts for approximately 62% of India's formulation exports to regulated market in fiscal 2023. This shows the dependency of the pharma industry on the US market. Formulation exports to regulated markets were hit in fiscal 2018 owing to pricing pressure in the US. However, growth recovered in fiscals 2019 and 2020 primarily due to easing pricing pressure and good ANDA approvals. FY21 was one of the best years for pharma exports as economies increased their inventory stocks due to supply chain uncertainties caused by the covid 19 pandemic.

In fiscal 2022, exports to the regulated market declined by 4% over a high base of 17% growth in fiscal 2021. The decline was primarily attributed to the degrowth in the US markets which declined by 10% due to pricing pressure in US. In fiscal 2023, the US market witnessed a slow recovery by growing at approximately 6%, while in the current fiscal, exports to the US market are anticipated to continue on the similar lines supported by the launch of new products.

Export momentum to European markets to continue

During the fiscal 2015 to 2020, pharma exports to European markets clocked a slow 6-7% CAGR owing to stricter pricing regulations and adverse currency movements. Even the United Kingdom (UK) and Germany, which traditionally had less stringent pricing mechanisms, introduced regulations to control the government's healthcare expenditure.

Exports to Europe grew by a sharp 12% on-year in fiscal 2020, 24% in fiscal 2021 and 11% in fiscal 2022. Currency depreciation further aided Indian pharma exporters. We expect healthy growth in formulation exports to Europe over medium term on rising generic penetration in the UK, France and Germany, among others. Also, players shifted their focus towards Europe due to the ongoing pricing pressure in the US. While the rising clawback tax rates might impact the growth of these markets in near term. High incidence of chronic diseases, an aging population, and adoption of specialty medicines are set to drive growth in the European markets.

Formulation exports to semi-regulated markets

Players look to tap under-penetrated markets for growth

Semi-regulated markets registered a growth of 4% during fiscal 2022 on a high base of fiscal 21 as players targeted new geographies and new product launches. Indian players are also targeting newer and smaller markets in Asia and Africa through both new launches and institutional sales. In fiscal 2023, exports witnessed a decline of approximately 6% due to ongoing economic and geopolitical crisis in select African countries. For e.g., some of the countries like Zimbabwe, Ghana, Nigeria, Egypt and Uganda were running low of forex reserves and their local currencies depreciated significantly against US$, hence the countries decided to cut down their imports to retain the forex reserves.

Exports are estimated to improve by 2-3% in fiscal 24 and the growth to revive in fiscal 25 with an improvement of approximately 6-7%. As pricing pressure continues in the conventional generics segment in the regulated markets, albeit at a slower rate now, more players are looking to enter semi-regulated markets, thereby boosting volume growth and increasing market share.

This trend is projected to continue, with players expected to record healthy sales in these markets. Also, low competition from many global generic players in the region and low penetration of generics will aid growth for players. Further, governments in the region are looking to streamline regulations to allow the import of generics, which will help reduce government expenditure. An increase in healthcare spending and rising demand for medicines to treat chronic and lifestyle-related ailments would support growth in the semi-regulated markets.

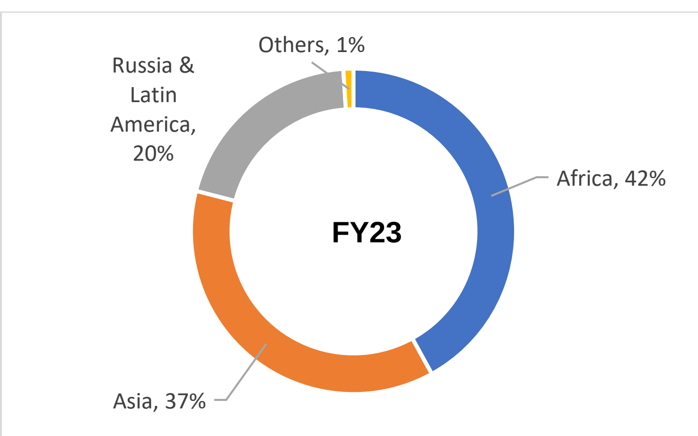
Players increasing focus on semi-regulated markets

India's pharma exports to semi-regulated markets to demonstrate strong growth in near future, as players eye growth opportunities in newer markets with low generic penetration and newer launches in the existing markets. The semi-regulated markets are characterized by lower penetration of healthcare facilities, low per capita consumption of medicines, high population growth rates, a wide base of patients with acute and chronic diseases, and low penetration of generics. Many markets also exhibit disease profiles similar to those in India. In terms of medicine consumption, these markets are mainly driven by low-cost generics.

Region-wise, Africa and Asia (accounting for approximately 85% of the semi-regulated markets) will remain key drivers. The African market is expected to continue to dominate because several Indian companies have already established a large footprint in drug therapies such as anti-viral and anti-malarial.

The demand for the treatment of chronic diseases will boost generics off-take due to limited budgets and high out-of-pocket expenditure in the semi-regulated markets. Also, governments in various countries are looking to strengthen their regulations to allow import of generic drugs to reduce their healthcare expenditure. Growth in these markets contracted in fiscal 2023 by approximately 6%, but it is estimated to witness recovery in near-term. Exports to semi-regulated markets are estimated to grow by 2-3% this fiscal and continue to grow by 6-7% in fiscal 2025.

India's formulation exports: Share in semi-regulated markets (FY23)



Source: CRISIL MI&A Research, DGCIS

Key growth drivers for Indian formulation exports

India - a preferred manufacturing hub

Indian pharmaceutical companies continue to enjoy a sizeable market share in the US generics market. The number of firms seeking abbreviated new drug application (ANDA) approvals and tentative approvals from the US Food and Drug Administration (FDA) is also on the rise. Mid- and small-sized formulation manufacturers, who are traditionally engaged in contract manufacturing, are also looking at tapping the generic drugs opportunity in regulated markets.

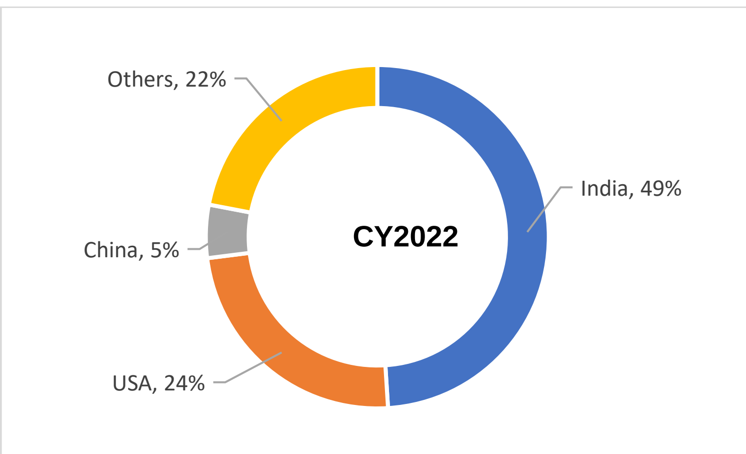
India maintains lead in total ANDA approvals and US-approved plants

Given the size of the US market, it continues to offer a huge opportunity for Indian generic drugs makers. Indian generic drugs makers maintain their lead in the US market by obtaining more ANDA approvals, which is mandatory to enter the retail drugs market in the US.

With the highest ANDA approvals, India is better placed than most other exporting countries to address the growing generic drugs market in the US. However, in 2021, decline in ANDA approvals thus lower new launches leading to pricing pressure on existing products. Share of Indian players in total ANDA approvals declined in CY2021 before recovering in CY2022. India's share in ANDA approvals is expected to pick up in the medium term and launch of new products to abate pricing pressure.

India has the largest manufacturing base outside of the US for products sold in the US market. As of July 2023, India has over 530 USFDA-compliant plants, the largest number outside of the US. A large, approved manufacturing base provides Indian companies the opportunity to supply to lucrative regulated markets.

India share in overall ANDA approvals (2022)



Source: US FDA, CRISIL MI&A Research

Increasing healthcare cost drives preference for generic drugs in regulated markets

Developed economies spend a major portion of their gross domestic product (GDP) on healthcare. Going forward, demand for pharmaceutical products in developed markets is expected to be driven by factors such as an ageing population and growing incidences of chronic diseases. CRISIL believes that austerity measures adopted in Europe will continue to drive demand for generic drugs, though pricing realisations by suppliers may not be as favourable as in the past. At the same time, healthcare reforms in the US are driving higher insurance coverage and greater usage of generic medicines.

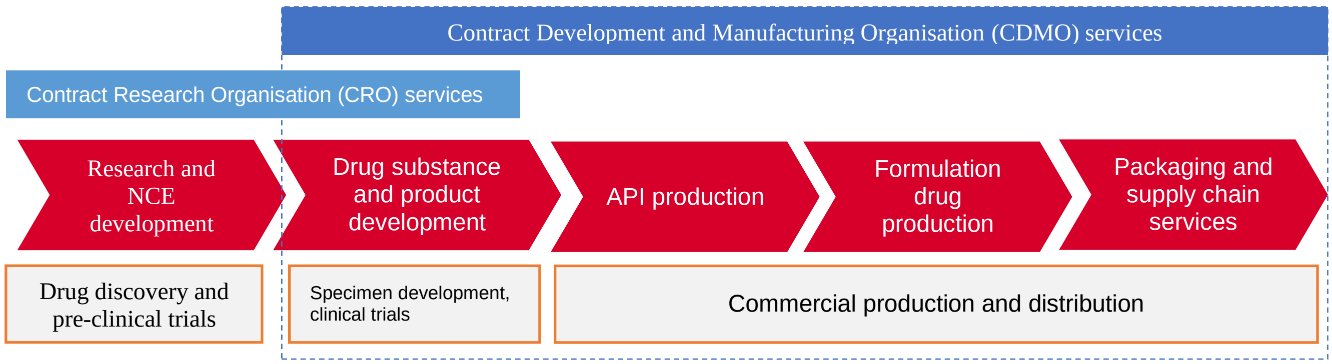
ASSESSMENT OF INDIAN CDMO MARKET

Overview of Indian CDMO industry

Contract manufacturing refers to the outsourcing of production activities to third-party vendors. Contract Manufacturing has picked up in India because of vast availability of skilled personnel, lower production costs and large number of WHO-GMP certified plants. Indian CDMO space has seen traction in the recent times with big pharmaceutical companies preferring to outsource research & development as well as manufacturing activities. Many of the pharmaceutical players in order to move to asset light model have been outsourcing these activities.

Most contract development and manufacturing organizations (CDMOs) cater to the domestic industry and exports to regulated as well as semi-regulated markets. Contract manufacturing is characterized by high fragmentation and competition, with large number of organized and unorganized players. The players are usually backed by promoters with significant experience in the pharmaceuticals industry. Going ahead, new product launches and volume growth in the chronic segment would support growth for the CDMOs in the medium term.

Overview of CDMO services

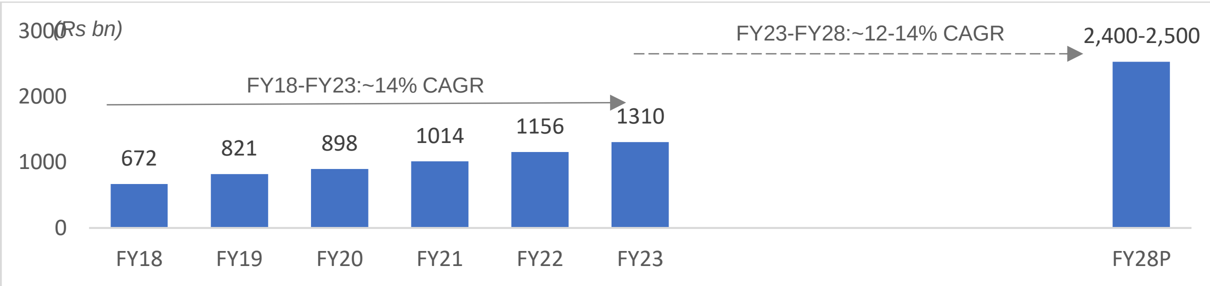


Contract research organisation (CRO) and CDMO offer outsourcing services to pharmaceutical research, development and manufacturing. CROs typically support pharmaceutical companies for drug and new chemical entity (NCE) development and clinical research and trials. CROs carry out patient recruitment for clinical trials, clinical monitoring, analytics of the data collected, biostatistics and regulatory consultations. CDMOs take over the formulation drug development and manufacturing activities. CDMOs which offers drugs development includes companies which conduct clinical trials, develop a specimen copy of the finished formulation offer generic drug development for dugs going off-patent. Usually, drugs marketing companies transfers the process technology to the CDMOs and CDMOs conduct the development and manufacturing activities on behalf of drug marketing company.

Indian CDMO segment to sustain its strong growth trajectory over fiscals 2023-2028

Pharmaceutical companies are increasingly outsourcing development and manufacturing of pharmaceutical products across the world and India. The Indian CDMO market grew at a CAGR of 14% from fiscal 2018 to fiscal 2023, and such growth trend is expected to continue in the next five years from fiscal 2023 to fiscal 2028. Supported by strong growth sustained by the global pharmaceutical industry and rise in India's export potential, it is projected that the Indian CDMO market (including domestic and exports) will grow at a CAGR of approximately 12-14% from Rs. 1,310 billion in fiscal 2023 to Rs. 2,400 to 2,500 billion in fiscal 2028. The CDMO segment growth is expected to be driven by strong demand of outsourcing of development and manufacturing of new products by big pharmaceutical companies, including both Indian and multinational/global companies. The key drivers for growth in the CDMO industry include growth of asset light pharmaceutical companies, increasing cost awareness and manufacturing efficiency, growing focus on product/ packaging innovation, CDMO's enabling customer's end market aspirations through combinations products and new dosages, increasing generics and institutionalization of pharmaceutical industry, end to end services, time to market, strong development in export market, maintaining margins, regulatory changes and increasing economies of scale shifting CDMO identity from 'supplier' to 'partner' status.

Review and outlook on Indian CDMO market



Note:P-Projected, CDMO market is inclusive of Domestic as well as export values of APIs and Formulation
Source: CRISIL MI&A Research

The Indian CDMO market caters to a significant portion of total pharmaceutical production in the Indian pharmaceutical market. As of fiscal 2023, approximately 35-40% of the Indian Pharmaceutical Production is catered by CDMOs in India and such market share is expected to rise to approximately 40-45% by fiscal 2028. Globally CDMOs cater to approximately 30-40% of the total pharmaceutical production as of year 2022. The expected growth in the Indian CDMO market from fiscal 2023 to fiscal 2028 (CAGR of 12-14%) is stronger than the expected growth in Indian domestic formulation market across the same period (CAGR of 9-10%), mainly due to the strong growth of the outsourcing in global pharmaceutical industry and the rise of India's export potential. The Further, the need for pharmaceutical companies to achieve better products and patient compliance is expected to further drive the growth of Indian CDMO market.

Key growth drivers for the CDMO industry

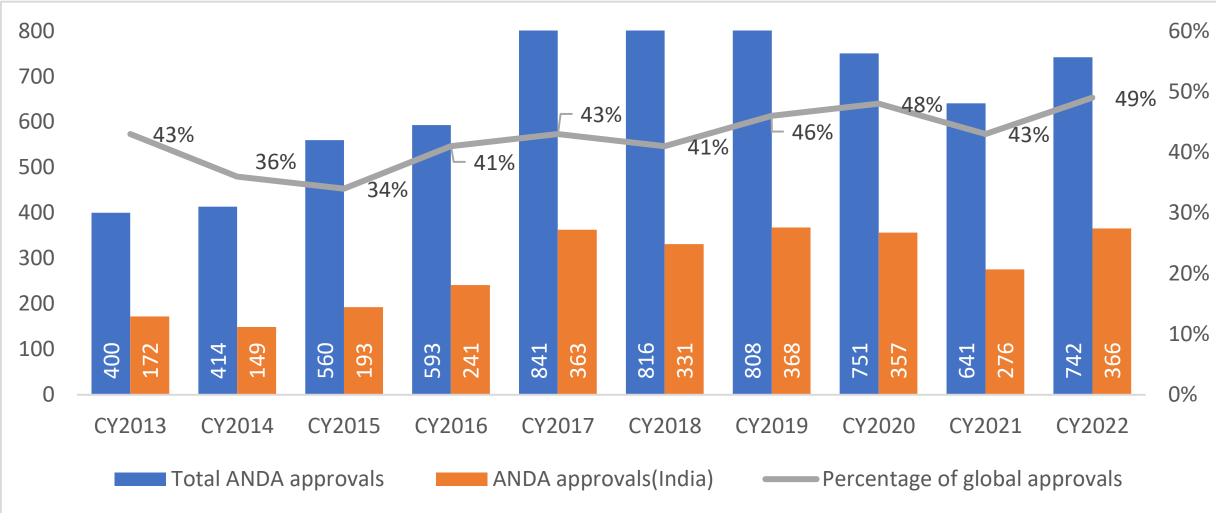
Rising trend of outsourcing among the pharmaceutical industry players

Over the past few years, there has been an increasing trend across pharmaceutical companies to outsource discovery, development and manufacturing of new products, thus saving fixed or capital costs and gaining access to capacity and specialty capabilities which are not routinely available in-house. In this context, contract development and manufacturing organizations (CDMOs) have been providing niche services such as product development and characterization, manufacturing of clinical and commercial APIs and drug products, along with a range of ancillary services including but not limited to clinical, logistical, distribution and regulatory support.

Rising demand for generics

As the patents for innovative drugs continue to expire, many pharmaceutical companies are actively exploring the generic market and breaking the monopoly of multinational pharmaceutical companies in Europe and America. India maintains a high share of ANDA approvals across the world, which signifies penetration of Indian generic players in regulated markets such as the US. This trend is expected to provide opportunities for Indian CDMO players as there is significant export opportunity to big pharma companies across the world. CDMOs have accumulated a lot of process research and development and large-scale production experience in the field of manufacturing. Combined with versatile production facilities, pharmaceutical companies are expected to partner with professional CDMO companies to break through pharmaceutical process barriers. Accordingly, patents expiry is expected to offer a significant growth opportunity to CDMOs in India.

India share of overall ANDA approvals



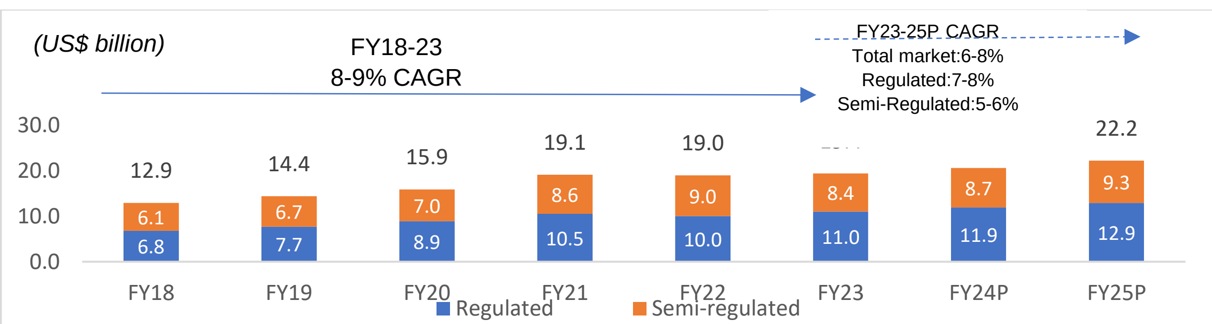
Source: USFDA, CRISIL MI&A Research

With the highest ANDA approvals, India is better placed than most other exporting countries to address the growing generic drugs market in the US. However, in 2021, decline in ANDA approvals thus lower new launches leading to pricing pressure on existing products. Share of Indian players in total ANDA approvals declined in CY2021 before recovering in CY2022. India's share in ANDA approvals is expected to pick up in the medium term and launch of new products to abate pricing pressure.

India has seen strong growth in its exports over the years which is expected to aid CDMO players

CRISIL expects India's formulation exports to increase at a CAGR of 6-8% from fiscal 2023 to fiscal 2025, compared to a CAGR of 8-9% over the previous five years from fiscal 2018 to fiscal 2023. The growth in formulation export markets will aid the growth of the CDMO segment in India as more and more companies outsource their development and manufacturing activities to CDMO players to meet export demands. In addition, Covid-19 vaccine development will also provide CDMO players with the opportunities of being strategic partners with pharmaceutical companies in the vaccine development and manufacturing processes.

Review and outlook on formulation exports from India



P: Projected
Source: Directorate General of Commercial Intelligence & Statistics (DGCIS), CRISIL MI&A Research

End to end service makes CDMOs key partner in pharmaceutical value chain

Typically, Indian pharmaceutical companies and multinational companies engaging in outsource drug discovery and development are looking for a long-term engagement where a CDMO partner can support them through the entire process. In pharmaceutical industry, innovation and speed-to-market are becoming more critical than ever. Pharmaceutical companies are consolidating their suppliers base and as they prefer to work with CDMOs that offer services across drug substance and drug product as well as development and manufacturing. In response to this market need, CDMOs continue to expand their capabilities across all phases of development and commercialization in order to eliminate the need for technology transfer and to serve customers end-to-end. One of the key growth drivers for companies in the CDMO space is their ability to offer reliable integrated services across the drug lifecycle.

Enabling pharmaceutical companies to reduce fixed costs on establishing manufacturing infrastructure and operational costs, CDMO players have established themselves as the key strategic partners with large pharmaceutical companies in the pharmaceutical industry. CDMOs often enter into contracts with large pharmaceutical companies for co-development of the molecules and manufacturing of finished dosages and formulations. This cooperation can lead to co-investments where big pharmaceutical companies may finance advanced development and manufacturing capacities which will lead to improved manufacturing capabilities for CDMO players. Also, with one-stop CDMOs can differentiate themselves by reducing supply chain complexities and the need to manage different service providers for pharmaceutical companies.

Healthy demand-supply gap to aid Indian pharmaceutical market and in turn boost contract manufacturing segment

In Indian domestic market, growth of the formulations and API sector has aided the growth of the CDMO sector. Growth of the domestic formulations industry is expected to be healthy with new product launches and increase in chronic disease prevalence which is expected to support growth of CDMOs in India. In formulation exports markets, semi-regulated markets are chiefly driven by use of low-cost generic medicines. Further, these markets are characterized by increasing healthcare awareness, rising consumer incomes and a large base of patients in the acute and chronic disease segments. India’s low-cost base and well-developed API industry (with technical expertise) as well as similar disease profiles between India and the semi-regulated markets will drive the penetration of Indian drugs in these semi-regulated markets. As a result of this the CDMOs in India are expected to witness a strong upsurge in demand for exports to these markets.

Patent cliff and traction in regulated market for biosimilars expected to aid CDMO segment

Many patented biopharmaceuticals are set to expire over the next 5-10 years in the US and Europe. Further, even among the drugs where patents have already expired, the penetration of biosimilar is low but slowly picking up. In core pharmaceuticals, all-phase clinical trials are not required for generic launches and hence generic penetration has been higher which has driven generic growth in the overall pharmaceutical market. These patent expiries will present a lucrative opportunity for CDMO players in biologics segment to cater to the regulated market.

Risk and Challenges for the Indian CDMO industry

Changing government regulations

The players in the Indian CDMO industry are exposed to various regulatory risks. First, various drugs are added to the National List of Essential Medicines (NLEM) regularly. Due to the drop in realizations of formulations players these NLEM drugs, margins of contract manufacturing players are squeezed as well. Both the formulation players as well as contract manufacturing players are impacted due to the price ceiling imposed by the Government. On quality front, pharmaceutical players face scrutiny for the quality standard and safety of the pharmaceutical products. Players in the pharmaceutical industry have to maintain quality and safety standards during entire drug life of the products. Regulatory authorities have the right to withdraw product approval or suspend manufacture if latest research demonstrates higher than previously known safety risk of some drugs. Pharmaceutical companies and CDMO players have to continuously remain regulatory compliant with ever changing rules and regulations.

Input risk related to import of raw materials

Bulk drugs are the key raw materials for formulations. Chemicals and intermediaries, such as penicillin, benzaldehyde, aniline and salicylic acid, are raw materials used to manufacture bulk drugs. In fiscal 2023, India imported approximately 71% of overall intermediaries and chemicals from China indicating import dependencies for the Indian pharmaceutical players. Small-scale of operations in fragmented Indian CDMO industry limits the bargaining power with suppliers and customers, and thereby results in lower profitability as compared to larger players. Although the margins are lower in the contract manufacturing business, they are fixed. Most players are able to maintain steady margins despite fluctuations in raw material prices by entering into price product variation clauses/open costing methods, etc.

Rising competition among smaller players

The Indian CDMO industry is highly fragmented with only few organized domestic CDMO players having WHO GMP compliant manufacturing capabilities along with sophisticated and modern technology and data analytics capabilities. The bargaining power of small players is lowered owing to high competition. However, these small players enjoy long-standing relationships with clients and therefore develop interdependence over the course of time. Further, the formulation players have to ensure the WHO compliance by its CDMOs and therefore change of CDMO results in considerable lag time for the player. Also, these small players are usually backed by promoters with long standing experience in the pharmaceuticals industry. In addition, smaller players often set price references in the market which will lead to competition on account of pricing.

New technology adoption possesses challenge to the CDMO industry

The Indian pharmaceutical industry still lags behind when it comes to employing newer technologies in the research and manufacturing processes. Automation and artificial intelligence are some of the key technological trends in the industry. World health organization also recommends application of automated systems right from documentation to the manufacturing of formulations. Moreover, pharmaceutical companies place a premium on working with CDMOs that can ensure a high degree of regulatory compliance, which decreases execution risk. Newer technology helps in process efficiencies which can aid Indian CDMO players but implementing those changes will be a challenge for highly fragmented Indian CDMO industry.

Limited capabilities in drug development

A number of pharmaceutical companies do not have the requisite in-house development capabilities and are increasingly becoming dependent on outsourcing the development and manufacturing of new formulations to CDMO players that have the requisite specialized capabilities. Moreover, the large pharmaceutical companies, who do have the required R&D capabilities, are prioritizing and rationalizing their resources towards select high risk and return export markets. Not a lot of players in the highly fragmented Indian CDMO industry possess the requisite drug research and development activities. Further, in the Indian market, particularly where 'multi-drug' therapy is required, very few CDMOs have the required specialised teams and rapid prototyping capabilities to develop and manufacture new 'multi-drug' / fixed dose combination products.

Overview of recent trends in Indian CDMO industry

Potential consolidation opportunity in fragmented CDMO space

The pharmaceutical CDMO industry is still highly fragmented. One reason for the fragmentation is the fact that many players are privately held or are part of private equity firms' portfolios. CRISIL expects that the CDMO space is poised for consolidation in the coming few years. Many pharmaceutical companies are seeking advanced supply chain opportunities in order to optimize the development of their molecule. Going ahead consolidation in the CDMO fragmented space is expected to gain traction because of the need to provide better and wider portfolio of services. Some of the Indian Pharma and CDMO players have consolidated in recent times and are looking to strengthen their portfolio by acquiring different businesses or by backward integration. Also, bigger pharmaceutical players are partnering with CDMO firms with better and wider manufacturing capabilities to get one point solution for their requirement. With drug approval and regulatory compliance being one of the critical factors in pharmaceutical manufacturing, experienced and established CDMO pharmaceutical players may be better placed to cater to the large and complex requirements of the clients.

Key recent M&A in Indian CDMO market

Acquirer	Target	Description
Akums drugs and pharmaceuticals Ltd	Ankur Drugs and Pharma Ltd.	Acquisition of Production facility with oral solids and oral liquids capacity
Akums drugs and pharmaceuticals Ltd	Parabolic Drugs Limited	Acquisition of Active pharmaceutical ingredients manufacturing entity

Acquirer	Target	Description
Innova captab Ltd	Sharon Bio-medicine	Acquisition of API and formulations manufacturing entity
Syngene international	Stelis Biopharma Ltd	Acquisition of biologics manufacturing entity

Note: The list above is an indicative list and not an exhaustive list
Source: Company filings, CRISIL MI&A

Strong tailwinds for larger and more organized players due to regulatory changes

Pharmaceutical industry across the world is highly regulated with many countries having its own regulatory body to authorize the drugs. The Indian pharmaceutical industry has been regulated by the various regulatory authorities for manufacturing practices and distribution of pharmaceutical products. Regulatory changes in the pharmaceutical industry impacts entire pharma value chain. Regulatory norms, such as good manufacturing practices (GMP), are basic requirements for the pharmaceutical company to manufacture drugs. Many Indian companies are only GMP compliant and any higher compliance standard than GMP may impact these players in the industry. Smaller and unorganized players who are not equipped with technology and resources may see a greater impact than much organized players from regulatory changes. In addition, organized CDMO players have longer and established contracts with the pharma companies, which add to their bargaining power when it comes to negotiation for deal changes as a result of regulatory changes and therefore are better placed than the small and unorganized players.

CDMO capabilities in emerging/complex technologies

CDMO players are enhancing their operational capabilities to cater to the emerging products and newer technologies and according have invested in these technologies.

For example, nano technology for drug delivery is one of the emerging technologies for drug delivery. Owing to the rapid development of nanoscience and nanomaterials, nanotechnology has become a new solution to overcome the bottleneck of cardiovascular disease treatment. Nano-drug delivery systems (NDDSs) are a class of nanomaterials that have abilities to increase the stability and water solubility of drugs, prolong the cycle time, increase the uptake rate of target cells or tissues, and reduce enzyme degradation, thereby improve the safety and effectiveness of drugs.

Another emerging area is the use of modified release dosage forms. Modified release dosage forms are formulations where the rate and/or site of release of the active ingredient(s) are different from that of the immediate release dosage form administered by the same route. This deliberate modification is achieved by special formulation design and/or manufacturing methods.

Impact of new schedule M

Schedule M is a part of the Drugs and Cosmetic rules 1945, which stipulates good manufacturing practices (GMP) for medicines manufacturing and shall be followed by pharmaceutical manufacturing units in India. GMP and requirements of premises, plant and equipment for pharmaceutical products are currently covered under Schedule M.

In October 2018, the Union Health Ministry in India issued a draft notification seeking to revise and upgrade Schedule M. The proposed revision requires a revisit to include relevant and specific additional requirements based on WHO Guidelines and EU systems. According to the Drug Controller General of India (DCGI), WHO- GMP guidelines need to be adopted as a part of the global harmonization process. This will enhance the capacities of the domestic industry and help them to participate in public healthcare tenders and also help seek financial and other incentives from the government. Small and medium pharmaceutical manufacturers expected to be impacted more they will have to shell out huge amount of money to implement it.

Some of the major changes which will happen with introduction of the revised Schedule M are introduction of pharmaceutical quality system, quality risk management, product quality review, qualification and validation of equipment, change control management, self-inspection, quality audit team, suppliers audit and approval, stability studies as per recommended climate condition, validation of GMP-related computerised system, specific requirements for manufacturing of hazardous products, etc.

Government gives boost to domestic pharmaceutical manufacturing through PLI Scheme

Production Linked Incentives (PLI) for API

The Union Cabinet, on March 21, 2020, approved the below schemes for the development of the Indian bulk drug sector.

Production- linked Incentives

- **Tenure of Scheme**-FY21 to FY30
- **Financial Outlay**-Rs.69.40 billion
- Scheme applicable for **greenfield projects**
- Financial incentive to be provided **for 41 identified key products**,which cover all 53 identified APIs
- The net worth of the applicant(including that of group companies).as on the date of application, shall not be less than 30% of the proposed investment
- maximum number of selected applicants:**136**
- The incentive under Scheme shall be **applicable only** on the **sales** of the eligible product to the **domestic manufactureres**

Creation of bulk drug parks

- **Tenure of Scheme**-FY21 to FY25
- **Financial outlay**-Rs.30 billion
- Three bulk drug parks will be supported under the scheme
- maximum grant-in-aid for **one bulk drug park** will be limited to **Rs.10 billion**
- minimum 50% of land areafor bulk drug manufacturing units
- **3 states** to be selected through challenge method

Source: Government documents, CRISIL MI&A Research

Production Linked Incentive-2

Government of India in its notification in March 2021 has extended the production linked incentive scheme to formulations as well as API, key starting materials covered under previous notification of production linked incentive scheme.

Production linked incentive

- **Tenure of Scheme**-FY21 to FY29
- **Financial Outlay**-150 billion
- Scheme applicable to The manufacturers of pharmaceutical goods registered in India will be grouped based on their Global Manufacturing Revenue (GMR)
- The scheme shall cover pharmaceutical goods under three categories across major formulations.APIs, KSM etc.
- The annual incentive outlay is estimated based on projected incremental sales of the identified pharmaceutical goods y the selected participants.
- The incentives will be paid for a **maximum period of 6 years** for each participant. Participants may avail of up to one-year gestation period from the date of approval.

Source: CRISIL MI&A Research

Status of PLI schemes

Parameter	PLI scheme for bulk drugs	PLI scheme for formulations
Target	Targets 53 API which have import dependency on China	Targets pharmaceutical formulation under 3 categories
Incentive	20% of annual sales (fiscals 2024-27) + 15% for fiscal 2028 and 5% for fiscal 2029 (fermentation based)	10% of incremental sales (fiscals 2023-26) + 8% for fiscal 2027 and 6% for fiscal 2028
Status	22 projects commissioned out of 51 projects with an investment of ~Rs 20 bn out of Rs 41 bn of committed	Incentive claims of Rs 1.7 bn released to 4 applicants against Rs 5.4 bn of total claim submitted by 15

	investment	applicants

Source: CRISIL MI&A Research

Newer industrial hubs in Jammu and Kashmir to provide impetus to industrial development and help players establish manufacturing bases

Government of India have introduced New Central Sector Scheme for Industrial Development of Jammu & Kashmir. The scheme is applicable to any eligible industrial (manufacturing) entity or eligible service sector enterprise which is registered business enterprise under Goods and Service Tax, other than those run departmentally by Government. The Scheme is applicable until year 2037 at a total cost of Rs. 284 billion.
The scheme offers four incentives, namely:

- Capital Investment Incentive- New units with investment of not more than Rs.500 million in plant & machinery (for manufacturing sector) or building and all other durable physical assets (for service sector) will be eligible to avail this incentive in both Zone A (30% of investment) and Zone B (50% of investment).

- Capital Interest subvention: Interest on loan up to the principal amount of Rs. 5 billion for investment in eligible plant and machinery shall be eligible for capital interest subvention.,

- Goods & Service Tax Linked Incentive (GSTLI): New units registered under the scheme irrespective of the value of investment in plant and machinery (for manufacturing sector) and construction of building and other durable physical assets (for service sector) and having a GST registration will be eligible for benefit under this incentive. Upper limit of incentive under this component shall be 300% of the eligible value of investment made in plant and machinery (for manufacturing sector) or construction of building and other durable physical assets (for services sector). The value of plant and machinery for manufacturing or building and durable physical assets in Services sector units will be as per the eligible value determined under Capital Investment Incentive or Capital Interest Subvention, whichever is applicable. All eligible units will be granted Goods & Services Tax Linked Incentive (GSTLI) equal to 100% of Gross payment of GST, i.e., GST paid through cash and input tax credit for a maximum period of 10 years from the date of commencement of commercial production/operation or till the validity of the scheme whichever is earlier. The amount of incentive paid in a financial year will not exceed one-tenth of the total amount of eligible incentive under this component subject to full payment of GST as per GST return filed for the claim period.

- Working Capital Interest Subvention: All existing eligible units can avail interest subvention at 5% on working capital loan for a maximum of five consecutive years from the date of grant of registration under this scheme.

Indian pharmaceutical players are expected to tap into the opportunity to establish manufacturing bases in Jammu and Kashmir. The region is expected to attract investments from pharmaceutical players which will be benefited from the incentives received under the scheme.

Reasons for India emerging as the key player in CDMO segment

India is becoming a preferred destination for outsourcing pharmaceutical activities across pharma value chain. As big pharmaceutical companies continue their focus on reducing the costs particularly fixed costs associated with the development and manufacturing of the drugs, CDMOs are being viewed as the capable and value-added service providers with the essential technical expertise. The key factors contributing to India's key player position in the global CDMO segment are set out below: -

Infrastructure and technical expertise for manufacturing

Indian CDMO players have built infrastructure that caters to requirement of global pharma companies. This infrastructure mainly includes manufacturing plants. Many of the manufacturing plants established in Indian are GMP compliant as this is one of the basic compliances required for manufacturing of pharmaceutical products.

India has one of the largest talent pools in terms of pursuing higher education. According to all India Survey for higher Education (AISHE), as at fiscal 2021, there are 1,113 universities, 43,796 colleges and 11,296 standalone institutions listed on AISHE. India has witnessed a rise in the number of educational institutions that cater to pharmaceutical and biopharmaceutical sciences and industries. Quality education is giving rise to availability of local talent in the scientific fields. Availability of local talent with expertise in scientific field like healthcare and pharmaceuticals along with large English-speaking population is making India an attractive destination for pharmaceutical development and manufacturing activities.

India has proven track record in outsourcing

Indian has proved track record in providing outsourcing services in certain areas, such as information technology, knowledge process etc. In the pharmaceutical industry, India is one of the largest exporters of over the counter and prescription drugs to the United States. India has the largest manufacturing base outside of the US for products sold in the US market. Indian CDMO players have significant experience in development and manufacturing of pharmaceutical products, enabling them to build good business practices and quality manufacturing processes. This experience has aided the India's position as the leading manufacturer of pharmaceutical products.

India has the highest number of US Food and Drug Administration (FDA) approved facilities outside the US. The country also has skilled manpower and advanced process chemistry skills. Some bulk drug manufacturers have forward integrated into pre-formulations (palletisation / granularization of bulk drugs before they are converted into finished dosages) as well.

Though China is a major destination for bulk drug manufacturing, it has a major share primarily in the manufacturing of bulk drug intermediates. India has consistently maintained its leadership in drug master file (DMF) submissions. This proves the capability of Indian players to meet required export quality standards for regulated markets. A DMF is an indicator of the bulk drug manufacturing capabilities of players (in terms of quality standards maintained at their facilities for processing, packaging, storage of drugs, etc.), which is used by global pharmaceutical companies that are outsourcing production activities.

India is one of the largest producer and exporter of pharmaceuticals

India is one of the largest producers of generic pharmaceuticals in the world. With established credentials as one of the key manufacturing destinations for generic pharmaceutical formulation, India is also being preferred as the key CDMO destination for generic and other pharmaceutical formulations. In terms of pharmaceutical production volume, as of fiscal 2021, India stands at the third position globally. This highlights the importance of Indian pharmaceutical industry in the global supply chain. Pharmaceutical manufacturing has been evolving in India with the emergence of contract development and manufacturing organizations which has contributed to the pharmaceutical manufacturing capabilities of the country.

Lower Costs

The biggest advantage of outsourcing to India is the significant amount of cost savings. The Indian CDMO players can provide comparable quality in development and manufacturing with the peers in other parts of the world but at a lower cost. The capital costs associated with the setting up of manufacturing plants in India are lower. Also, India has specific clusters of pharmaceutical manufacturing facilities which helps lowering the capital costs further as the supply chain are well connected. The human resources costs for skilled as well as unskilled professionals is lower in India.

Cost of manufacturing drugs In India, China, Europe and US

Sr. No.	Region/Country	Units
1	**United States**	100
2	**Europe**	85-90
3	**India**	
	USFDA approved plants	45-50
	Others	35-40
4	**China**	35-40

Note: Costs Indexed to US

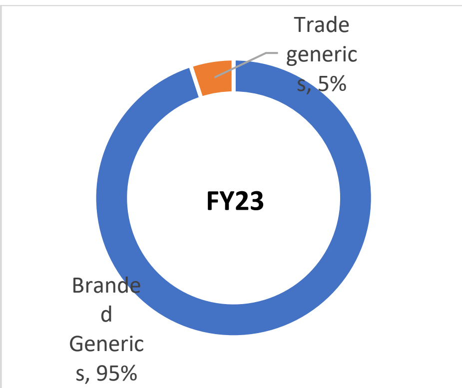
Source: CRISIL MI&A Research

ASSESSMENT INDIAN TRADE GENERICS MARKET

Overview of Indian trade generics market

Most of the Indian pharmaceutical market consists of generic medicines. Generic medicines are categorized into branded generics and trade generics. Branded generic products are generic medicines/drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies. Branded generics are generic copies of the original drug under a brand name and sold by company through various marketing and sales channels. Trade generic products are referred as generic medicines in the Indian retail pharmacy market which are sold directly to the retailer by the companies and not marketed through medical representatives. Branded generics forms a majority of the part in overall Indian generics pharmaceutical market. As of fiscal 2023, branded generics and trade generics contributed to 95% and 5% of the overall generics industry in India, respectively.

Share of trade and branded generics



Source: CRISIL MI&A Research

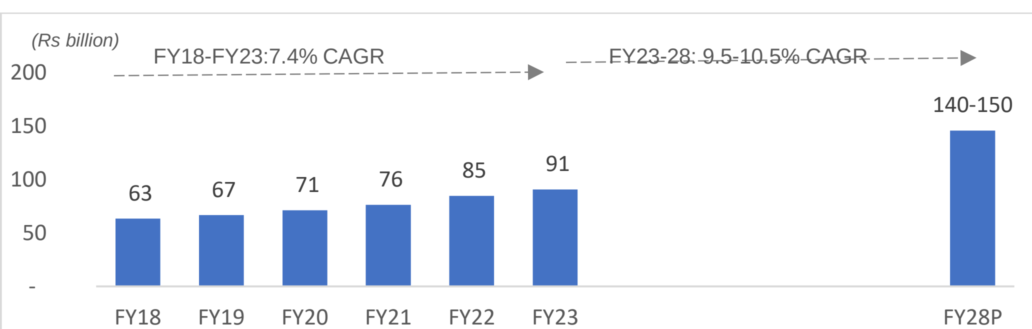
Trade generics provide good opportunity for Indian generics manufacturer to export to some of the semi-regulated market as those market share similar disease profile as well as have lower healthcare expenditure. Many of the pharmaceutical players are adding generic products to their portfolio on account of rise in demand for generics from global pharmaceutical markets.

Many of the small and medium sized Indian pharmaceutical firms operate in the trade generics industry. Abbott Healthcare Limited, Cipla Limited and Alkem Laboratories Limited are some of the players operating in the Indian generics (trade +branded) market.

Indian trade generics segment to clock 9.5%-10.5% over fiscal 2023-2028

Indian trade generics industry has grown at the healthy CAGR of 7.4% CAGR from Rs. 63 billion in fiscal 2018 to Rs. 91 billion in fiscal 2023. The Indian trade generics industry is expected to grow at a CAGR of 9.5-10.5% from fiscal 2023 to reach Rs. 140-150 billion by the end of fiscal 2028.The growth in the trade generics is expected to be supported by push for trade generics in the distribution channels by the pharmaceutical companies.

Review and outlook on Indian trade generics market



Note: P-Projected
Source: CRISIL MI&A Research

OVERVIEW OF COMPETITOR ANALYSIS

Domestic formulations CDMO market comprises of pharmaceutical players providing value added services in development and manufacturing of formulations to the drug marketing companies. Domestic formulations CDMO industry in India is highly fragmented industry with few organized players and many small players. Domestic formulations CDMO players, in line with the Indian pharmaceutical industry, operate out of geographical clusters. Some of the notable clusters are Gujrat, Himachal Pradesh and Uttarakhand.

Domestic formulations CDMO industry has seen robust growth in the last decade owing to shift of large pharma players to outsourcing, rising demand for generic medicines and technology shift for specific manufacturing practices. However, profitability of the players depends on many industries related parameters and remains monitorable.

Competitive landscape in domestic formulations CDMO industry

Contract Development and Manufacturing Organizations offer services such as preclinical development, clinical development and commercial manufacturing to pharmaceutical companies. Pharmaceutical companies are continuously looking to mitigate the risks associated with the research and development and reduce the time to market for their products, while simultaneously reducing their development and manufacturing costs. A growing number of specialty and biotech firms now rely on service providers to avoid the high fixed costs of in-house development and investments in building manufacturing capabilities required to drive clinical development and potential commercial manufacturing.

CDMOs have seen significant acceptance in the pharmaceutical industry in India and international markets over the last few years due to focus on reducing time to market, capital-intensive nature of the pharmaceutical business, growing demand for generic medicines, and complex and typically large-scale/high-volume manufacturing requirements for pharmaceutical production.

CDMOs are therefore considered as an important and growing part of the pharmaceutical value chain. Although consolidation have taken place in the CDMO industry, the majority of the CDMO market remains fragmented, with only a small number of companies having global scale and reach. The CDMO market in India is competitive and, hence, differentiation is important to remain competitive in the market. Players with differentiated technologies, offering manufacturing of complex molecules which usually has high barriers to entry and higher regulatory compliance enjoy higher growth and higher margins as compared to their peers.

Given the highly competitive nature of the contract manufacturing market, players have limited bargaining power with customers i.e., large pharmaceutical companies. Furthermore, in the absence of long-term sales contracts, some customers may start manufacturing products that achieve critical volume, in-house. Another factor causing increased competition is new entrants in the industry - a number of companies in Asia, particularly India, have been entering the sectors in which they had little presence, companies have begun obtaining approval from the US FDA for certain of their manufacturing plants and have acquired additional plants in Europe and North America. In addition, in Europe and Asia, there is a large number of privately owned, dedicated outsourcing companies that serve only their local or national markets. Also, large pharmaceutical companies have been seeking to divest portions of their manufacturing capacity, and any such divested businesses may increase competition in CDMO space.

The high quality, cost-efficiency and complexity requirements from both R&D and manufacturing systems together pose a substantial competitive barrier for the unorganized domestic CDMO players. Further, historically, developing the expertise to comply with stringent regulatory audits and validation requirements has been a challenge for both pharmaceutical companies and CDMOs, and has been seen as a significant barrier to entry for many CDMOs, as facilities can take years to construct and properly validate.

CDMOs that can provide customer-centric, high quality, integrated solutions, including niche capabilities, across drug products have been differentiated versus other market players. Moreover, outsourcing has evolved from being a transactional activity to a strategic function. The ability to be aligned with the requirements of customers and their patients supports long term growth of CDMOs and their customers

Some of the key players in the Indian CDMO segment include Innova Cap, Akums Drugs and Pharmaceuticals, Synokem Pharmaceuticals, Theon Pharmaceuticals, Tirupati Medicare, Windlas Biotech and Acme formulation.

Competitive landscape

Key players in global and Indian contract research organizations

CRISIL has identified following key pharmaceutical contract research organizations providing clinical trials solutions in the global and Indian market as November 2023.

Particulars	Key products/services
contract research organizations in global market	
IQVIA Holdings Inc.	Technology & Analytics Solutions, Research & Development Solution, Contract Sales & Medical Solutions
Icon PLC	Clinical research services, molecule development consulting, Functional Service Provision
Parexel International Corporation	Clinical Research Services, Outsourcing Services, Medical Communications
Thermo Fisher Scientific Inc.	Drug discovery and development, Pre-clinical and clinical drug testing, Drug formulation manufacturing
Labcorp	Drug development consulting, clinical development, clinical testing
Syneos Health	Clinical development, consulting
Contract research organizations in Indian market	
Syngene International Ltd.	Drug discovery, drug development and drug manufacturing
Vimta Labs Ltd.	Pre-clinical research, clinical research
Veeda Clinical Research Ltd.	Pre-clinical research and development, clinical research and development
Jubilant Biosys Ltd.	Drug discovery and contract research services
Aragen Life Sciences Pvt. Ltd.	Drug discovery, drug development and drug manufacturing
Lambda Therapeutic Research Ltd.	Pre-clinical research, clinical research
Clininvent Research Pvt. Ltd.	Drug discovery, drug development and drug manufacturing
Siro Clinpharm Private Limited	Clinical operations, medical writing
Diagnosearch Life Sciences Pvt.Ltd.	Clinical operations, consulting

Note: The above list of players is an indicative list and not an exhaustive list
Source: Company reports, company websites, CRISIL MI&A

CRISIL has evaluated some of the key players across domestic formulations CDMO segment below. CRISIL has considered some of the key players operating in Indian CDMO industry and have comparable revenue as well as the contract manufacturing service portfolio among them. These players are estimated to derive a majority of their revenue through domestic formulations contract development and manufacturing operations

Company name	Date of incorporation	Registered office location
Acme formulation Private Limited	2004	Himachal Pradesh
Akums Drugs and Pharmaceuticals Ltd	2004	Delhi
Innova Captab Ltd	2005	Mumbai
Synokem Pharmaceuticals Ltd	1983	Delhi
Theon Pharmaceuticals Ltd	2005	Chandigarh
Tirupati Medicare Ltd	2005	Delhi
Windlas Biotech Ltd	2001	Dehradun

Note: The list of competitors above is an indicative list and not an exhaustive list

Source: MCA, company website and filings, CRISIL MI&A

Operational overview

Manufacturing facilities

Player name	Facility details	Key Product / dosage manufactured	Some of Certifications for manufacturing units
Akums Drugs and Pharmaceuticals Ltd	Plant 1	Tablets, Hard Gelatin Capsules, Soft Gelatin Capsules, and Sachets	WHO GMP, GLP and NABL Certificate
	Plant 2	Syrups, suspensions and Medicines Jelly	WHO GMP, GLP
	Plant 3	Injectables, Large Volume Parenteral (LVP), Small Volume Parenteral (SVP), Pre-Filled Syringes, nasal sprays, Ampoules, Vials and Ophthalmic Preparations	WHO GMP, GLP
	Plant 4	Tablets, liquid orals, Soft Gelatin Capsules, Hard gelatin capsules, Injectable in Vial / Ampoule, Ointment, Kits	WHO GMP
	Plant 5	Ointments and cosmetics	WHO GMP
	Plant 6	Tablets, Hard Gelatin Capsules, Soft Gelatin Capsules, Liquid Oral, Sachet, Gummies	US NSF
	Plant 7	Tablets, Hard gelatin capsules, Soft gelatin capsules, Sachets, Dry syrup	WHO GMP
	Plant 8	Tablets, Low RH preparations, Hard gelatin capsules, Dry syrup, Sachets	WHO GMP
	Plant 9	Oral solids	WHO GMP
	Plant 10	Tablets, capsules, liquid orals, ointments, injections and syrups	WHO GMP
	Plant 11	Tablets, Liquid Orals, Ointments and Capsules	WHO GMP
	Plant 12	Ampoules, Vials,Lyophilized FFS, Respules and Water for Injection	WHO GMP
Innova Captab limited	Plant 1	Tablets, Capsules and ointments	WHO GMP
	Plant 2	Tablets, capsules, dry syrups and dry injection, liquid orals	WHO GMP
	Plant 3	Generic formulations (Tablets and hard gelatine Capsules)	WHO GMP
	Plant 4	Active Pharmaceutical Ingredients (API) and Intermediaries	WHO GMP
Synokem Pharmaceuticals Ltd	Plant 1	Tablets, Capsules, Oral liquids, Oinment, Gel, Sachets	WHO GMP
Theon Pharmaceuticals Ltd	Plant 1#	Tablets, capsules, dry syrups, dry powder injectables	WHO GMP, NABL Certificate
Tirupati Medicare Ltd	Multiple location*	Tablets, Capsules, oral liquids, oral powders, oils, creams, lotions	WHO GMP
Windlas Biotech Ltd	Plant 1	Tablets, capsules, liquid bottles, sachet	WHO GMP
	Plant 2	Tablets, capsules, liquid bottles, sachet	WHO GMP
	Plant 3	Tablets, capsules	WHO GMP
	Plant 4	Tablets, capsules, sachet	WHO GMP
Acme formulation Pvt. Ltd	Plant 1	Tablets and Capsules	EU GMP
	Plant 2	Tablets and Capsules	WHO GMP

Note:

- *#: company has multiple manufacturing blocks located at Himachal Pradesh*
- **: Company has multiple facilities based out of single location in Himachal Pradesh*
- *WHO: World Health Organisation, GMP: Good manufacturing practices*
- *NA: Not available*
- *The list of certifications for manufacturing units isn't exhaustive in nature and is according to data mentioned by the company on the website and annual reports*
- *As per the company websites accessed in August 2023*
- *The list of competitors above is an indicative list and not an exhaustive list*

Source: Company website, Company presentation, CRISIL MI&A

Research and Development(R&D) benchmark in Indian pharmaceutical industry

CRISIL have analysed the peers in the Indian pharmaceutical market for R&D expenses. The table below shows R&D expenditure as percentage of total income.

R&D expenditure benchmark (FY2023)

Company name	Total Income (Rs. million)	R&D Expenditure (Rs. million)	R&D expenditure as % of total income
Indian CDMO formulation players			
Akums Drug and Pharmaceuticals Ltd.^	36,945.23	223.64	0.61%
Innova Captab Ltd.$	11,865.44	110.13	0.93%
Synokem Pharmaceuticals Ltd.^	6,909.02	75.133	1.09%
Theon Pharmaceuticals Ltd.	4,659.07	15.418	0.33%
Windlas Biotech Ltd.	5,230.48	89.48	1.71%
Acme Formulations Private ltd.^	5,386.58	157.39	2.92%
Indian domestic formulation players			
Abbott India	55,028.80	8.80	0.02%
Alembic Pharma	56,553.60	7218.40	12.76%
Aurobindo Pharma Ltd.	251,459.70	14115.30	5.61%
Biocon Ltd	115,501.00	11194.00	9.69%
Cipla Ltd	232,285.70	13440.00	5.79%
Dr.Reddy's Laboratories Ltd.	257,252.00	19381.00	7.53%
GlaxoSmithKline	33,523.84	19.10	0.06%
Glenmark Pharmaceuticals Ltd.	133,068.96	12500.35	9.39%
Ipca Labs	63,699.40	1564.90	2.46%
Lupin Ltd	167,150.20	12800.00	7.66%
Panacea Biotech Ltd.	5,116.09	373.06	7.29%
Sun Pharmaceuticals Industries Ltd.	445,202.00	23676.00	5.32%
Torrent Pharmaceuticals Ltd	96,652.90	5160.00	5.34%
Wockhardt Ltd.	27,730.00	2730.00	9.84%

Note: (*)- R&D expenditure data for company is not available and company is in the process of estimating the same
^-Data as of fiscal 2022
$-Based on proforma consolidated condensed financials
Source: company website and filings, CRISIL MI&A

Market share movement in Indian and global market

Following table indicates market size of the key segments Innova captab Limited operates in and share of the company in the market.

Particulars	Units	FY21	FY22	FY23	FY23^
Market size of Global CDMO market (API+ Formulation)	Rs. billion	9,015.37	9,900.02	11,002.30	11,002.30
Market size of Global CDMO Formulation market	Rs. billion	1,999.11	2,220.00	2,530.64	2,530.64
Revenue from CDMO services for Innova Captab Limited	Rs. billion	3.71	6.87	6.80	6.80
Share of Innova Captab Limited in global CDMO formulation market	**%**	**0.19%**	**0.31%**	**0.27%**	**0.27%**
Market size of Indian CDMO market (API+ Formulation) *	Rs. billion	1,014.08	1,156.05	1,300.55	1,300.55
Market size of Indian formulation CDMO market*	Rs. billion	512.11	583.80	656.78	656.78

Revenue from CDMO services for Innova Captab Limited	Rs. billion	3.71	6.87	6.80	6.80
Share of Innova Captab Limited in Indian formulation CDMO market	**%**	**0.72%**	**1.18%**	**1.03%**	**1.03%**

Note: Financials for Innova Captab Limited is on restated basis for FY21, FY22 and FY23.
^-Based on proforma consolidated condensed financials
**-Includes domestic and export operations*
Source: Company reports, CRIISL Research

Financial overview

Financial snapshot key competitors considered (fiscal 2022)

Company name	Operating income		OPBDIT		PAT	
	Rs million	y-o-y growth	Rs million	y-o-y growth	Rs million	y-o-y growth
Acme Formulation Private Limited	5,300.50	29.87%	443.08	-60.18%	-372.84	-150.30%
Akums Drugs and Pharmaceuticals Limited	36,802.51	35.06%	4,108.13	68.99%	-2,508.74*	-303.24%
Innova Captab Limited$	8,005.26	94.94%	977.18	77.89%	639.53	85.37%
Synokem Pharmaceuticals Limited	6,859.09	23.95%	1,086.65	46.43%	800.26	51.98%
Theon Pharmaceuticals Limited	4,856.70	22.11%	336.08	1.88%	212.92	12.08%
Tirupati Medicare Limited	9,245.51	43.08%	1,047.73	30.79%	555.49	42.45%
Windlas Biotech Limited	4,660.07	8.93%	529.77	-3.67%	380.89	144.63%

Note:

- *NA-Not available*
- *n.m.-Not meaningful*
- *OPBDIT: operating profit before depreciation, interest and taxes, PAT: profit after tax*
- *The list of competitors above is an indicative list and not an exhaustive list*

$-As per restated consolidated financials for FY2021 and FY2022
**-Profit after tax value is negative for Akums drugs and pharmaceuticals Ltd. because of an exceptional expense amounting to ~Rs. 5,069.48 million. The exceptional expense was a pertaining to put option held by private equity regarding buyback of the stake by company*
Source: Company filings, CRISIL MI&A

Key Private equity investors for companies

Company name	Investor	Invested amount (Rs. Million)	Year
Acme Formulation Pvt. Ltd.	PAG group	10,540	2021
Akums Drugs and Pharmaceuticals Ltd	Ruby QC Investment Holdings Pte. Ltd. (Quadria Capital)	3,200	2019
		5,000	2022
Innova captab Ltd	NA	NA	NA
Synokem Pharmaceuticals Ltd	TA Associates	10,000	2023
Theon Pharmaceuticals Ltd	NA	NA	NA
Tirupati Medicare Ltd	TBO Korea Holdings Limited (Affirma Capital)	3,450	2019
Windlas Biotech Ltd	NA	NA	NA

Note: NA: Not applicable
Source: Company annual reports, Company website, CRISIL MI&A

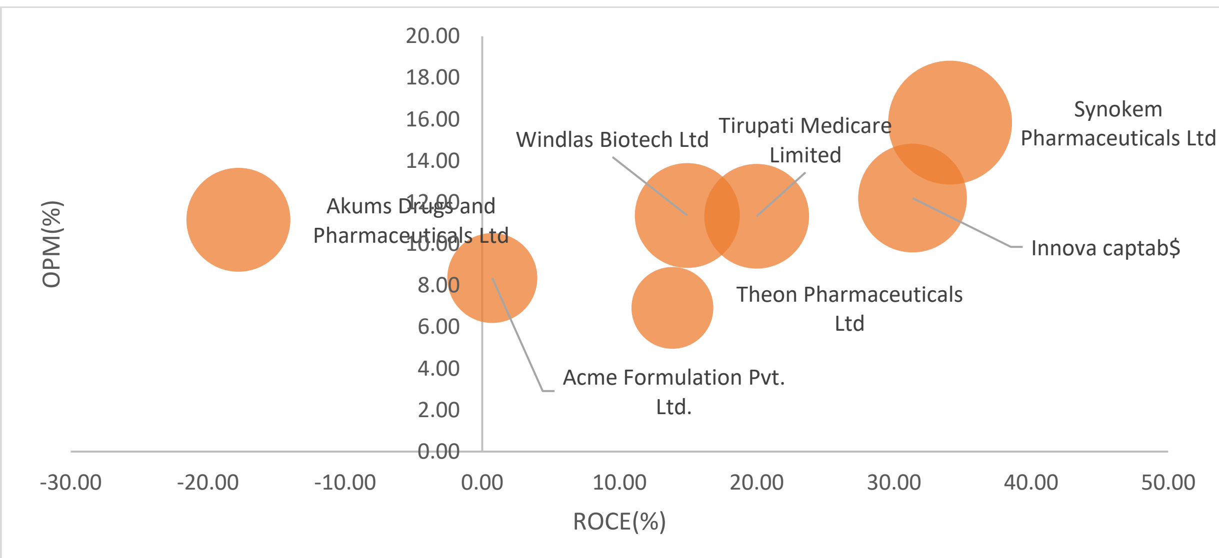
Financial ratios of key competitors (fiscal 2022)

Company name	Operating profit margin (%)	Net profit margin (%)	RoCE (%)	ROE (%)	Interest coverage ratio	Gearing ratio	Current ratio	Asset turnover ratio
Acme Formulation Private Limited	8.36	-7.03	0.73	-12.20	3.24	0.22	1.85	1.77

Akums Drugs and Pharmaceuticals Limited	11.16	-6.82	-17.78	-33.81	-4.92	0.58	1.49	2.77
Innova Captab Limited$	12.21	7.99	31.37	38.09	17.41	1.04	1.23	5.69
Synokem Pharmaceuticals Limited	15.84	11.67	34.10	26.82	231.96	0.04	2.27	11.30
Theon Pharmaceuticals Limited	6.92	4.38	13.86	8.96	100.29	0.00	1.99	3.61
Tirupati Medicare Limited	11.33	6.01	20.00	17.06	13.74	0.29	1.68	3.31
Windlas Biotech Limited	11.37	8.17	14.95	12.86	41.73	0.02	4.06	2.97

Note:
The list of competitors above is an indicative list and not an exhaustive list
$-As per restated consolidated financials for FY2021 and FY2022
ratios calculated as per CRISIL MI&A research standards are described below:
OPBDIT margin = OPBDIT/Operating income
Net profit margin = Profit after tax/Operating income
RoCE = Profit before interest and tax (PBIT)/ (Average total debt +average tangible networth + average deferred tax liability)
ROE= PAT/ Average tangible net worth
Interest Coverage ratio=PBDIT/Interest and finance charges
Gearing ratio = Total debt/Tangible net worth
Current ratio = Current assets/Current liabilities
Asset turnover ratio=Operating income/Average gross block
Source: Company filings, CRISIL MI&A

Return on capital employed vs operating profit margin (OPM) for fiscal 2022



Note:
- *Size of the bubble indicates the operating income for the respective company for fiscal 2022*
- *Values mentioned above ROCE (%) for the respective companies for fiscal 2022*
- *The list of competitors above is an indicative list and not an exhaustive list*

$-As per restated consolidated financials for FY2021 and FY2022
Source: Company filings, CRISIL MI&A

Financial snapshot key competitors considered (fiscal 2023)

Company name	Operating income			OPBDIT			PAT		
	Rs million	y-o-y growth	CAGR FY21-23	Rs million	y-o-y growth	CAGR FY21-23	Rs million	y-o-y growth	CAGR FY21-23
Akums Drugs and Pharmaceuticals Limited	36,565.68	-0.64%	15.84%	2,957.29	-28.01%	10.29%	978.17	n.m.	-10.98%
Innova Captab Limited (Proforma	11,185.96	39.73%	65.04%	1,293.27	32.35%	53.44%	1,011.20	58.12%	71.20%

Company name	Operating income			OPBDIT			PAT		
	Rs million	y-o-y growth	CAGR FY21-23	Rs million	y-o-y growth	CAGR FY21-23	Rs million	y-o-y growth	CAGR FY21-23
condensed consolidated level)$									
Innova Captab Limited (Restated consolidated level)	9,285.32	15.99%	50.37%	1,190.27	21.81%	47.20%	679.54	6.26%	40.35%
Theon Pharmaceuticals Limited	4,590.38	-5.48%	7.43%	189.04	-43.75%	-24.30%	101.23	-52.46%	-27.00%
Windlas Biotech Limited	5,135.18	10.20%	9.56%	610.43	15.23%	5.36%	426.26	11.91%	65.46%

Note:

- *n.m.-Not meaningful*
- *OPBDIT: operating profit before depreciation, interest and taxes, PAT: profit after tax*
- *The list of competitors above is an indicative list and not an exhaustive list*
- *FY2023 financials for Acme Formulation Private Limited, Synokem Pharmaceuticals Limited and Tirupati Medicare Limited are not available*

$-As per restated consolidated financials for FY2021 and FY2022 and Proforma condensed consolidated financials for FY2023
Source: Company filings, CRISIL MI&A

Financial ratios of key competitors (fiscal 2023)

Company name	Operating profit margin (%)	Net profit margin (%)	RoCE (%)	ROE (%)	Interest coverage ratio	Gearing ratio	Current ratio	Asset turnover ratio
Akums Drugs and Pharmaceuticals Limited	8.09	2.68	17.53	14.68	6.69	0.75	1.53	2.53
Innova Captab Limited (Proforma condensed consolidated level)$	11.56	9.04	31.94	40.50	5.40	1.40	1.52	4.27
Innova Captab Limited (Restated consolidated level)	12.82	7.32	25.13	30.17	6.15	0.91	1.59	4.82
Theon Pharmaceuticals Limited	4.12	2.21	6.30	4.00	20.62	0.00	1.98	3.20
Windlas Biotech Limited	11.89	8.30	14.51	10.73	89.07	0.00	2.04	2.93

Note:
The list of competitors above is an indicative list and not an exhaustive list
$-As per restated consolidated financials for FY2021 and FY2022 and Proforma condensed consolidated financials for FY2023
FY2023 financials for Acme Formulation Private Limited, Synokem Pharmaceuticals Limited and Tirupati Medicare Limited are not available
ratios calculated as per CRISIL MI&A research standards are described below:
OPBDIT margin = OPBDIT/Operating income
Net profit margin = Profit after tax/Operating income
RoCE = Profit before interest and tax (PBIT)/ (Average total debt +average tangible networth + average deferred tax liability)
ROE= PAT/ Average tangible net worth
Interest Coverage ratio=PBDIT/Interest and finance charges
Gearing ratio = Total debt/Tangible net worth
Current ratio = Current assets/Current liabilities
Asset turnover ratio=Operating income/Average gross block
Source: Company filings, CRISIL MI&A

Key observations

- During fiscal 2022, Innova Captab Limited has recorded an operating income of Rs. 8,005.26 million and a net profit of Rs. 639.53 million. In fiscal 2022, among the CDMO formulation players considered above, Innova Captab Limited recorded third highest operating revenue.

- Innova Captab Limited has recorded a OPBDIT of Rs. 977.18 million in fiscal 2022
- In fiscal 2022, Innova Captab Limited (12.21%) recorded the second highest operating profit margins among the CDMO formulation players considered above, after Synokem Pharmaceuticals Ltd. (15.84%).
- With a net profit margin of 7.99 %, in fiscal 2022, Innova Captab Limited recorded the third highest net profit margin among the CDMO formulation players considered above.
- In fiscal 2022, among the CDMO formulation players considered above, Innova Captab Limited recorded the second highest Return on Capital Employed of 31.37%.
- Among the peers considered above, in fiscal 2022, Innova Captab Limited recorded the second highest asset turnover of 5.69 times.
- Innova Captab Limited had a gearing and interest coverage of 1.04 times and 17.41 times, respectively, in fiscal 2022.
- Innova Captab Limited manufactures products across some of the key therapeutic areas like cephalosporins, proton pump inhibitors, Anticholinergic & heparin NSAIDs, Analgesics & Antipyretic, Anticold & antiallergic, Antiemetic, Antidiabetic, Antispasmodic, Antifibrinolytic, Cardiovascular, Antioxidant & Vitamins, Antihyperuricemia & Antigout, Fluroquinolone & Macrolide, Nootropics & Neurotronic/Neurotrophic, Antiulcerative , Antimalarial anxiolytic, Anticonvulsant & Antipsychotic, Bladder & Prostate disorders, Antifungal, Anthelmintic & Antiviral, Anticholinergic , Anti-asthmatic & Bronchodilator and erectile dysfunction.
- In the Indian CDMO formulation space, companies usually have operations that ranges from product discovery, product development, licensing, packaging and commercial manufacturing of pharmaceutical products. In addition to these, some of the companies also have operations in marketing and distribution of pharmaceutical products by selling trade generics in domestic and export markets. Innova Captab Limited, Windlas biotech ltd, Akums Drugs and Pharmaceuticals Ltd are some of the forward integrated CDMO pharmaceutical companies with presence across research & development, manufacturing, drug distribution &marketing and exports in pharmaceuticals value chain.
- In terms of capacity for manufacturing finished tablets and capsules, Innova Captab Limited stood third among the CDMO formulation players considered above with manufacturing capacity of 10,664 million units per annum.

Financial parameters for listed players

CRISIL has compared the financial parameters for some of the listed players from the pharmaceutical industry in India for peer comparison and financial parameters are presented in below tables

FY2023	Revenue from operation (Rs million)	EBIDTA (Rs million)	PAT (Rs million)	EBIDTA Margin	PAT margin	Debt/ Equity ratio	ROE	ROCE	Fixed asset turnover ratio
Innova Captab Limited (Proforma condensed consolidated level)	11,185.96	1,972.75	1,011.20	17.64%	9.04%	1.32	31.06%	24.04%	3.56
Innova Captab Limited (Restated consolidated level)	9,263.80	1,228.45	679.54	13.26%	7.34%	0.85	24.58%	22.61%	5.37
Suven Pharmaceuticals	13,403.29	6,128.99	4,112.90	45.73%	30.69%	0.04	23.70%	32.44%	1.65

FY2023	Revenue from operation (Rs million)	EBIDTA (Rs million)	PAT (Rs million)	EBIDTA Margin	PAT margin	Debt/ Equity ratio	ROE	ROCE	Fixed asset turnover ratio
Ltd									
Torrent pharmaceutical Ltd	96,201.50	28,871.90	12,452.30	30.01%	12.94%	0.85	20.09%	35.93%	1.14
Ajanta Pharma Ltd	37,426.40	8,818.90	5,879.80	23.56%	15.71%	0.00	17.35%	22.21%	2.30
Eris Lifesciences Ltd	16,851.49	5,478.99	3,741.60	32.51%	22.20%	0.37	16.85%	51.39%	0.76
Indoco remedies Ltd	16,686.11	2,884.28	1,422.52	17.29%	8.53%	0.31	13.83%	17.88%	2.15
J.B. Chemicals and pharmaceuticals Ltd	31,492.83	7,056.93	4,100.05	22.41%	13.02%	0.22	16.53%	35.86%	1.68
Laurus Labs Ltd	60,405.50	15,981.90	7966.4	26.46%	13.19%	0.49	19.68%	22.11%	1.69
Natco Pharma Ltd	27,071.00	10,402.00	7,153.00	38.42%	26.42%	0.03	14.68%	18.07%	1.11
Windlas Biotech Ltd	5,130.83	701.91	426.26	13.68%	8.31%	0.00	10.60%	14.41%	4.35

Note: The financial parameters above are not reclassified by CRISIL and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section.
Financials for all the players are on consolidated level
The financial parameters are calculated as described below:
EBIDTA = Earnings Before Interest, Taxes, Depreciation, and Amortization
EBIDTA margin= EBIDTA/Revenue from operations
PAT=Profit After Tax
PAT margin = Profit after tax/Revenue from operations
Debt/ Equity ratio=Total borrowings/Total Equity
ROE (Return on Equity) =PAT/Total Equity
RoCE (Return on Capital Employed) = Earnings before interest and tax (EBIT)/ [Total borrowings+ Total equity net of goodwill and intangible assets)]
Fixed asset turnover ratio=Revenue from operations /Total fixed assets
Source: Company filings, CRISIL MI&A

FY2022	Revenue from operation (Rs million)	EBIDTA (Rs million)	PAT (Rs million)	EBIDTA Margin	PAT margin	Debt/ Equity ratio	ROE	ROCE	Fixed asset turnover ratio
Innova Captab Limited$	8,005.26	989.03	639.53	12.35%	7.99%	0.95	30.66%	23.46%	5.10
Suven Pharmaceuticals Ltd	13,202.22	7,129.18	4,538.05	54.00%	34.37%	0.06	29.72%	41.58%	2.35
Torrent pharmaceutical Ltd	85,080.40	21,431.30	7,771.80	25.19%	9.13%	0.67	13.06%	24.02%	1.28
Ajanta Pharma Ltd	33,409.90	10,449.70	7,126.80	31.28%	21.33%	0.00	21.83%	28.23%	2.11
Eris Lifesciences Ltd	13,470.43	5,110.49	4,057.89	37.94%	30.12%	0.02	21.27%	37.19%	1.67
Indoco remedies Ltd	15,407.54	3,296.69	1,548.00	21.40%	10.05%	0.27	17.11%	23.72%	2.32
J.B. Chemicals and pharmaceuticals Ltd	24,242.44	5,826.82	3,860.39	24.04%	15.92%	0.01	18.05%	35.52%	2.01
Laurus Labs Ltd	49,355.70	14,377.30	8324.3	29.13%	16.87%	0.52	24.78%	24.54%	1.60
Natco Pharma Ltd	19,448.00	3,625.00	1,700.00	18.64%	8.74%	0.09	3.99%	4.85%	0.81

FY2022	Revenue from operation (Rs million)	EBIDTA (Rs million)	PAT (Rs million)	EBIDTA Margin	PAT margin	Debt/ Equity ratio	ROE	ROCE	Fixed asset turnover ratio
Windlas Biotech Ltd	4,659.30	591.29	380.89	12.69%	8.17%	0.02	9.65%	11.75%	4.81

Note: The financial parameters above are not reclassified by CRISIL and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section.
Financials for all the players are on consolidated level
$- As per restated consolidated financials.
The financial parameters are calculated as described below:
EBIDTA = Earnings Before Interest, Taxes, Depreciation, and Amortization
EBIDTA margin= EBIDTA/Revenue from operations
PAT=Profit After Tax
PAT margin = Profit after tax/Revenue from operations
Debt/ Equity ratio=Total borrowings/Total Equity
ROE (Return on Equity) =PAT/Total Equity
RoCE (Return on Capital Employed) = Earnings before interest and tax (EBIT)/ [Total borrowings+ Total equity net of goodwill and intangible assets)]
Fixed asset turnover ratio=Revenue from operations /Total fixed assets
Source: Company filings, CRISIL MI&A

FY2021	Revenue from operation (Rs million)	EBIDTA (Rs million)	PAT (Rs million)	EBIDTA Margin	PAT margin	Debt/ Equity ratio	ROE	ROCE	Fixed asset turnover ratio
Innova Captab Limited$	4,106.62	558.57	345.00	13.60%	8.40%	0.31	23.82%	26.54%	4.88
Suven Pharmaceuticals Ltd	10,097.19	5,084.54	3,623.42	50.36%	35.89%	0.12	30.69%	36.14%	1.88
Torrent pharmaceutical Ltd	80,045.70	25,369.90	12,518.80	31.69%	15.64%	0.83	21.45%	29.66%	0.84
Ajanta Pharma Ltd	28,896.90	10,245.40	6,538.70	35.46%	22.63%	0.00	21.83%	30.42%	1.87
Eris Lifesciences Ltd	12,118.63	4,392.84	3,551.35	36.25%	29.30%	0.00	22.53%	49.61%	1.59
Indoco remedies Ltd	12,415.28	2,273.84	930.46	18.31%	7.49%	0.34	12.10%	16.35%	1.97
J.B. Chemicals and pharmaceuticals Ltd	20,425.22	6,727.92	4,485.23	32.94%	21.96%	0.02	24.73%	34.39%	3.54
Laurus Labs Ltd	48,135.10	15,743.40	9,838.20	32.71%	20.44%	0.56	37.83%	36.05%	2.16
Natco Pharma Ltd	20,521.00	7,098.00	4,424.00	34.59%	21.56%	0.06	10.73%	13.54%	0.91
Windlas Biotech Ltd	4,276.02	359.95	155.70	8.42%	3.64%	0.16	7.82%	10.02%	4.60

Note: The financial parameters above are not reclassified by CRISIL and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section.
Financials for all the players are on consolidated level
$- As per restated consolidated financials.
The financial parameters are calculated as described below:
EBIDTA = Earnings Before Interest, Taxes, Depreciation, and Amortization
EBIDTA margin= EBIDTA/Revenue from operations
PAT=Profit After Tax
PAT margin = Profit after tax/Revenue from operations
Debt/ Equity ratio=Total borrowings/Total Equity
ROE (Return on Equity) =PAT/Total Equity
RoCE (Return on Capital Employed) = Earnings before interest and tax (EBIT)/ [Total borrowings+ Total equity net of goodwill and intangible assets)]
Fixed asset turnover ratio=Revenue from operations /Total fixed assets
Source: Company filings, CRISIL MI&A

Key parameters for Listed players (FY2023)

FY2023	Face value/equity share (Rs.)	EPS(Basic) (Rs.)	EPS(Diluted) (Rs.)	NAV per share (Rs.)	Return on net worth (%)
Innova Captab Limited (Proforma condensed consolidated level)	10	21.07	21.07	57.60	36.58%
Innova Captab Limited (Restated consolidated level)	10	14.16	14.16	57.60	24.58%
Suven Pharmaceuticals Ltd	1	16.16	16.16	68.16	23.70%
Torrent pharmaceutical Ltd	5	36.79	36.79	182.97	20.11%
Ajanta Pharma Ltd	2	45.89	45.89	267.41	17.36%
Eris Lifesciences Ltd	1	28.10	28.07	160.85	17.10%
Indoco remedies Ltd	2	15.44	15.42	111.58	13.83%
J.B. Chemicals and pharmaceuticals Ltd	2	53.00	52.34	320.36	16.54%
Laurus Labs Ltd	2	14.69	14.64	74.92	19.74%
Natco Pharma Ltd	2	39.18	39.18	264.21	14.84%
Windlas Biotech Ltd	5	19.7	19.7	192.02	10.61%

Note: The financial parameters above are not reclassified by CRISIL and taken as reported by players hence comparison should not be made with the tables in the rest of the competitive section.
Financials for all the players are on consolidated level
The financial parameters are calculated as described below:
Net worth= Equity share capital+ Other equity-capital reserves
NAV per share=Net worth/Number of equity shares outstanding
Return on Net worth=PAT/Net worth
Source: Company filings, CRISIL MI&A

OUR BUSINESS

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the "Forward-Looking Statements" on page 24 for a discussion of the risks and uncertainties related to those statements and the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 33 and 356 this Red Herring Prospectus, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of our Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report prepared and released by CRISIL Research and commissioned and paid for by us and prepared exclusively in connection with the Offer. We commissioned the CRISIL Report on February 12, 2022 and updated as of October 2023. The CRISIL Report is available at the following web-link: www.innovacaptab.com/investor-relations. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant financial year. For further details and risks in relation to commissioned reports, see "Risk Factors — We commissioned and purchased the CRISIL Report. This Red Herring Prospectus contains information from the CRISIL Report and such information is subject to inherent risks and limitations." on page 65 of this Red Herring Prospectus. Also, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and market data" on page 21 of this Red Herring Prospectus.

*Innova Captab Limited acquired assets and liabilities of Innova Captab, a partnership firm (the "**Innova Partnership**") effective as of March 31, 2021 and acquired Univentis Medicare Limited ("**UML**) effective as of December 31, 2021. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for Fiscal 2021. Our Restated Consolidated Financial Information does not include financial information of the Innova Partnership and UML prior to their acquisition by Innova Captab Limited or of the Univentis Foundation prior to it becoming a Subsidiary of our Company. Further on June 30, 2023, we acquired Sharon Bio-Medicine Limited ("Sharon"), a listed entity pursuant to the corporate insolvency resolution process ("**CIRP**") under the Insolvency and Bankruptcy Code, 2016 ("**IBC**") before the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"). The Restated Consolidated Financial Information as of, and for the years ended, March 31, 2021, 2022 and 2023, and as of, and for the three months ended, June 30, 2023, does not fully reflect our Company and Sharon on a total basis save for the restated consolidated balance sheet as at June 30, 2023, Accordingly, our results of operations and financial condition as set forth in the Restated Consolidated Financial Information are not comparable on a period-to-period basis.*

Our financial or fiscal year ends on March 31 of each calendar year. Accordingly, references to a "Fiscal" or "fiscal year" are to the 12-month period ended March 31 of the relevant year. The financial information included in this section as of, and for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and as of, and for, the three months ended June 30, 2023, has been extracted from the Restated Consolidated Financial Information. The pro forma financial information in this section is extracted from our Pro Forma Condensed Consolidated Financial Information as of, and for the financial year ended March 31, 2023, and as of, and for, the three months ended June 30, 2023.

Unless otherwise stated or the context requires otherwise, the operational, production, capacity (as applicable), employee information and other statistical information is provided in this section on a combined basis for Innova Captab Limited (on a consolidated basis, as applicable), UML and the Innova Partnership as of, and for the years ended March 31, 2021, March 31, 2022 and March 31, 2023, and further such operational, production capacity (as applicable), employee information and other statistical information does not include Sharon unless otherwise indicated. Further, since UML was acquired effective as of December 31, 2021, the operational, production, capacity (as applicable), employee information and other statistical information provided as of March 31, 2021, does not include UML. Unless the context otherwise requires, references to our "customer" or "customers" shall be deemed to include affiliates or group companies of our customers, as applicable.

Overview

We are an integrated pharmaceutical company in India with a presence across the pharmaceuticals value chain including research and development, manufacturing, drug distribution and marketing and exports. Our business includes (i) a contract development and manufacturing organization ("**CDMO**") business providing manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed. *(Source: CRISIL Report, October 2023).* In Fiscal 2023 and in the three months ended June 30, 2023, we had 182 and 133 CDMO customers, respectively. In Fiscal 2023 and in the three months ended June 30, 2023, we manufactured a diverse generics product portfolio of over 600 products and market them under our own brands in the Indian market through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies. In addition, during Fiscal 2023 and the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. Revenue from operations as per our Restated Consolidated Financial Information has grown at a 50.19% CAGR from ₹4,106.62 million in Fiscal 2021 to ₹9,263.80 million in Fiscal 2023.. Revenue from operations as per our Restated Consolidated Financial Information was ₹2,332.43 million in the three months ended June 30, 2023. Revenue from operations on a pro forma consolidated basis was ₹11,185.96 million in Fiscal 2023.

The foundation of our Company is our in-house research and development ("**R&D**"). Our R&D operations help us attract and retain CDMO customers and grow our branded generic portfolio. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh, which is recognized by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). In addition, we are looking to establish a new R&D center in Panchkula, Haryana. Our manufacturing is undertaken at our two manufacturing facilities in Baddi, Himachal Pradesh along with a new facility we are planning in Jammu. See "- *Expansion of our manufacturing capacities*" beginning on page 194 of this Red Herring Prospectus. Our facilities have good manufacturing practices ("**GMP**") certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the World Health Organization (the "**WHO**"), and the certificate of GMP compliance from Food, Medicine and Health Care Administration and Control Authority, Ethiopia.

Our CDMO services and products include commercial large-scale manufacturing of generic products. We also enter into loan license agreements with our customers. Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology. Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products across some of the key therapeutic areas identified by CRISIL Research, including cephalosporins, proton pump inhibitors, anticholinergic and heparin NSAIDs, analgesics and antipyretic, anticold and antiallergic, antiemetic, antidiabetic, antispasmodic, antifibrinolytic, cardiovascular, antioxidant and vitamins, antihyperuricemia and antigout, fluroquinolone and macrolide, nootropics and neurotronic/neurotrophic, antiulcerative, antimalarial anxiolytic, anticonvulsant and antipsychotic, bladder and prostate disorders, antifungal, anthelmintic and antiviral anticholinergic and anti-asthmatic and bronchodilator and erectile dysfunction. (Source: CRISIL Report, October 2023). Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis. Our number of CDMO products sold in the three months ended June 30, 2023 was 1,088 on a restated consolidated basis.

In our CDMO business, we have developed relationships across the Indian pharmaceutical industry. Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited. Revenue from our CDMO business on a restated consolidated basis has grown at a 35.36% CAGR from ₹3,708.71 million in Fiscal 2021 to ₹6,795.56 million in Fiscal 2023. Revenue from our CDMO business on a restated consolidated basis was ₹1,662.10 million in the three months ended June 30, 2023. Revenue from our CDMO business on a pro forma consolidated basis was ₹6,795.56 million in Fiscal 2023.

Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India under our own brand names through online and offline channels. Our branded generic products are generic medicines for which the patents have expired, that are sold directly to our distributors, stockists and retailers. We have developed a diversified branded generics product portfolio including tablets, capsules, dry syrups, dry powder injection, ointments and liquid orals. Our products cover the following therapeutic areas:

Cephalosporins	Proton Pump Inhibitor	Anticholinergic and Heparin
NSAIDs, Analgesics and Antipyretic	Anticold and Antiallergic	Antiemetic
Antidiabetic	Antispasmodic	Antifibrinolytic
Cardiovascular	Antioxidant and Vitamins	Antihyperuricemia and Antigout
Fluoroquinolone and Macrolide	Nootropics and Neurotonics / Neurotrophics	Antiulcerative
Antimalarial	Anxiolytic, Anticonvulsant and Antipsychotic	Bladder and Prostate Disorder
Antifungal, anthelmintic and Antiviral	Anticholinergic, Anti-Asthmatic and bronchodilator	Erectile Dysfunction

We sell our domestic branded generic products through our pan-Indian network of distributors, stockists and pharmacies. Our generic drug products are also available online through various e-commerce pharmacy sites. During Fiscal 2021, Fiscal 2022 and Fiscal 2023 and during the three months ended June 30, 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million, ₹1,661.61 million and ₹422.53 million, respectively. Revenue from our domestic branded generic business on a pro forma consolidated basis was ₹1,661.61 million in Fiscal 2023.

We also have an international branded generic product business focused on exports to emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom, and Canada. In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generics to 20 and 16 countries, respectively. As on October 31, 2023, we have 200 active product registrations (and 20 registration subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities. Revenue from our international branded generic business on a restated consolidated basis has grown at a 42.38% CAGR from ₹397.91 million in Fiscal 2021 to ₹806.63 million in Fiscal 2023. Revenue from our international branded generic business on a restated consolidated basis was ₹247.80 million in the three months ended June 30, 2023. Revenue from our international branded generic business on a pro forma consolidated basis was ₹806.63 million in Fiscal 2023.

As of October 31, 2023, we employed a team of 29 scientists and engineers at our R&D laboratory. Our team includes professionals with experience ranging up to 27 years. Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes rapid mixer granulator/fluid bed processor /compression machine and auto coater. In addition, our analytical lab is also equipped with high pressure liquid chromatography ("**HPLC**"), ultraviolet and dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods.

We have two manufacturing facilities in Baddi, Himachal Pradesh. According to CRISIL Research, we were ranked third among our peers in terms of our finished tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, October 2023).* Set forth below is the total installed capacity and aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon) for the periods indicated below.

(in million, save for percentages)

Facilities	As of, and for the year ended, March 31,						As of, and for the three months ended, June 30, 2023	
	2021		2022		2023			
	Annual Installed Capacity	Capacity Utilization (%)	Annual Installed Capacity	Capacity Utilization (%)	Annual Installed Capacity	Capacity Utilization (%)	Installed Capacity	Capacity Utilization (%)
Tablets	4,239.31	66.49%	5,556.73	54.61%	8,191.59	40.68%	2,047.90	46.72%
Capsules	1,591.20	60.03%	2,048.16	52.04%	2,472.48	55.49%	618.12	65.98%
Ointments	22.81	76.11%	22.81	56.33%	22.81	63.22%	5.70	66.49%
Dry Powder Injection	60.48	59.13%	60.48	77.27%	60.48	74.01%	15.12	72.29%
Dry Syrup	53.57	30.18%	53.57	53.22%	53.57	52.77%	13.39	65.35%
Liquid Orals	70.99	37.15%	70.99	89.90%	70.99	86.70%	17.75	84.17%

** As certified by Parashar & Co. Chartered Engineer pursuant to their certificate dated September 12, 2023. For the assumptions taken in preparation of these installed capacity and capacity utilization figures, see "- Manufacturing – Capacity, Production and Capacity Utilization" beginning on page 204 of this Red Herring Prospectus.*
*** Not including Sharon for any periods.*

Our manufacturing is efficient. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded second highest fixed asset turnover ratio and returns on capital employed. *(Source: CRISIL Report, October 2023).* In addition, we are planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections, as certified by Ravinder K. Sharma & Co. Chartered Accountants. We anticipate to benefit from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. See "- *Our Strategies*" on page 194 of this Red Herring Prospectus.

Recent Developments

We acquired Sharon pursuant to CIRP under the IBC. In accordance with the terms of the resolution plan approved by the NCLT, we infused ₹1,954.00 million into Sharon on June 26, 2023, and Sharon is now a wholly owned subsidiary of UML as of June 30, 2023. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients ("**APIs**") as well as finished dosages. It also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra. As of October 31, 2023, Sharon had 567 employees. We had Nil revenue from Sharon on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and for the three months ended June 30, 2023. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023. For further information, see "*Acquisition of Sharon Bio-Medicine Limited*" on page 197 of this Red Herring Prospectus.

Certain Financial Information

Set forth below are certain financial information in relation to our Company's business for the periods indicated, based on the Restated Consolidated Financial Information and on the Pro Forma Condensed Consolidated Financial Information.

(in ₹ million, except percentages, days and ratios)

	Restated Consolidated Financials(1)				Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Three months ended June 30, 2023**	**Fiscal 2023**
Revenue from operations	4,106.62	8,005.26	9,263.80	2,332.43	11,185.96
Profit for the year / period	345.00	639.53	679.54	175.93	1,011.20
PAT Margin(3)	8.40%	7.99%	7.34%	7.54%	9.04%
EBITDA(4)	558.57	989.03	1,228.45	324.24	1,972.75
EBITDA Margin(5)	13.60%	12.35%	13.26%	13.90%	17.64%
Fixed Asset Turnover Ratio(6)	4.88	5.10	5.37	0.72*	3.56
Return on Equity(7)	23.82%	30.66%	24.58%	4.81%*	31.06%
Return on Capital Employed(8)	26.54%	23.46%	22.61%	3.75%*	24.04%
Return on Net Worth(9)	23.83%	30.66%	24.58%	5.98%*	36.58%
Debt-Equity Ratio(10)	0.31	0.95	0.85	1.21	1.32

Notes:

** not annualized*

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023 and the three months ended June 30, 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

(3) PAT Margin, a non – GAAP measure, is calculated as profit for the year / period divided by revenue from operations.

(4) EBITDA, a non – GAAP measure, is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense.

(5) EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations.

(6) Fixed Asset Turnover Ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year / period, other intangible assets as at the end of the year / period and capital work in progress as at the end of the year / period.

(7) Return On Equity, a non – GAAP measure, is calculated as profit for the year / period divided by total equity.

(8) Return On Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year / period.

(9) Return on Net Worth is calculated as profit for the year / period divided by Net Worth as at the end of the year / period.

(10) Debt-Equity Ratio, a non – GAAP measure, is calculated by dividing total borrowings by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings.

For information about Non-GAAP financial measures as set forth in the table above, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators and Non-GAAP Financial Measures*" on page 367 of this Red Herring Prospectus.

Competitive Strengths

We believe that we have the following competitive strengths:

Leading presence and one of the fastest growing CDMOs in the Indian pharmaceutical formulations market

In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed. *(Source: CRISIL Report, October 2023).* According to CRISIL Research, the Indian CDMO space has seen traction in the recent times with big pharmaceutical companies preferring to outsource R&D as well as manufacturing activities. *(Source: CRISIL Report, October 2023).* Many of the pharmaceutical players in order to move to asset light model have been outsourcing these activities. *(Source: CRISIL Report, October 2023).* The Indian CDMO market has grown at a rate of 14% CAGR in the last five years from Fiscal 2018 to Fiscal 2023, and CRISIL Research expects this trend to continue over the next five years from Fiscal 2023 to Fiscal 2028 with the Indian CDMO market projected to grow at approximately a 12-14% CAGR over the next five years from ₹1,310 billion in Fiscal 2023 to ₹2,400-2,500 billion in Fiscal 2028. *(Source: CRISIL Report, October 2023).* According to CRISIL Research, the CDMO segment growth is expected to be driven by strong demand from outsourcing of development and manufacturing of new products by big pharmaceutical companies including both Indian and multinational and global companies. *(Source: CRISIL Report, October 2023).* We have positioned our Company to benefit from the growth in the CDMO market by developing strong R&D and manufacturing operations for our customers to support their domestic sales and exports to certain markets.

Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more complex delivery forms such as modified and sustained release forms and tablets in capsules.

Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products across some of the key therapeutic areas identified by CRISIL Research, including cephalosporins, proton pump inhibitors, anticholinergic and heparin NSAIDs, analgesics and antipyretic, anticold and antiallergic, antiemetic, antidiabetic, antispasmodic, antifibrinolytic, cardiovascular, antioxidant and vitamins, antihyperuricemia and antigout, fluroquinolone and macrolide, nootropics and neurotronic/neurotrophic, antiulcerative, antimalarial anxiolytic, anticonvulsant and antipsychotic, bladder and prostate disorders, antifungal, anthelmintic and antiviral anticholinergic and anti-asthmatic and bronchodilator and erectile dysfunction. (Source: CRISIL Report, October 2023).

Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis. Our number of CDMO products sold in the three months ended June 30, 2023 was 1,088 on a restated consolidated basis. In order to maintain our market position, we are continuously expanding our portfolio.

The table set forth below provides our revenue from our CDMO business on a restated consolidated basis and such CDMO revenue as a percentage of revenue from operations on a restated consolidated basis for the periods indicated.

Revenue	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	₹ million	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**
CDMO Business	3,708.71	90.31%	6,866.94	85.78%	6,795.56	73.36%	1,662.10	71.26%

Well established relationships with our marquee CDMO customer base

In our CDMO business, we have developed strong relationships across the Indian pharmaceutical industry. In Fiscal 2023, we had 182 CDMO customers. Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited.

The following table sets forth certain information about customers to which we have provided CDMO services and products on a restated consolidated basis for the periods indicated.

(in ₹ million, except percentages and customers)

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three months ended June 30, 2023
Number of CDMO customers(1)	119	174	182	133
Revenue from CDMO customers(1)	3,708.71	6,866.94	6,795.56	1,662.10
Revenue from CDMO customers with relationship of 10 years or more(1)	1,527.67	2,441.12	2,388.29	593.91
Revenue from CDMO customers with relationship between 5 and 10 years(1)	1,848.34	3,586.03	3,331.72	888.30
Revenue from CDMO customers with relationship of under 5 years(1)	332.70	839.79	1,075.55	179.89

(1) CDMO relationship period is measured by number of years in which an invoiced order has been placed with us. The base date for the number of years of a relationship has been taken as June 30, 2023.

The following table sets forth certain information about our top ten CDMO customers on a restated consolidated basis.

(in ₹ million, except percentages and customers)

Top 10 CDMO customers	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three months ended June 30, 2023
Aggregate revenue from such customers	2,022.01	3,341.18	3,825.40	1,136.63
Number of Products manufactured for such customers	435	482	627	348

We believe the increasing use of outsourcing by pharmaceutical companies has created opportunities for us to build more strategic relationships with our customers. We typically enter into long-term CDMO agreements ranging mostly between two to five years with our customers resulting in predictable and stable cash flows.

Our customer engagements are dependent on us delivering quality products consistently. Our potential customers may require considerable amounts of time to approve us as suppliers to ensure that all their quality controls are met and that we meet all their regulatory requirements across a variety of jurisdictions and multiple regulators. We aim at putting great importance on maintaining our relationships with our top pharmaceutical customers, building our customer base and strengthening our product basket for existing customers. As of October 31, 2023, we had 3 sales and marketing personnel focused on our CDMO business.

Our revenue from our CDMO services and products has historically been derived from a diverse customer base. The following table sets forth the revenue on a restated consolidated basis from our largest customer, top 10 customers and top 20 customers and their contribution to our consolidated restated revenue from operations from our CDMO Business.

(in ₹ millions, except percentages)

Year	Revenue from top 20 customers	Percentage contribution of top 20 customers to revenue from operations from our CDMO Business	Revenue from top 10 customers	Percentage contribution of top 10 customers to revenue from operations from our CDMO Business	Revenue from largest customer	Percentage contribution of largest customer to revenue from operations from our CDMO Business
Three months ended June 30, 2023	1,366.41	82.21%	1,136.63	68.39%	365.37	21.98%
Fiscal 2023	4,758.06	70.02%	3,825.40	56.29%	1,001.04	14.73%
Fiscal 2022	4,191.22	61.03%	3,341.18	48.66%	770.71	11.22%
Fiscal 2021	2,380.93	64.20%	2,022.01	54.52%	580.70	15.66%

Highly efficient operations, including our world class manufacturing facilities and supply chain

We have two manufacturing facilities in Baddi, Himachal Pradesh. Our facilities produce tablets, capsules, dry syrups, dry powder injections, ointments and liquid orals. According to CRISIL Research, we were ranked third among our peers in terms of our finished tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, October 2023).* Our manufacturing capacity helps us to provide customers with large volumes and satisfy their requirements.

In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, the total installed capacity of our Company and the Innova Partnership, on a combined basis (not including Sharon), was of 4,239.31 million, 5,556.73 million, 8,191.59 million and 2,047.90 tablets, respectively, and 1,591.20 million, 2,048.16 million, 2,472.48 million and 618.12 million capsules, respectively, during the same periods. In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, the aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon), for tablets was 66.49%, 54.61%, 40.68% and 46.72%, respectively, and for capsules was 60.03%, 52.04%, 55.49% and 65.98%, respectively. For more information, see "- *Manufacturing – Capacity, Production and Capacity Utilization*" on page 204 of this Red Herring Prospectus.

We continuously aim to improve cost-efficiencies and increase productivity in our operations through use of automation in process equipment as well as use of software in capacity and resource planning. We have implemented building management system to control our environment, a fully automated water management system including purified water and water for injection. In the operations, we have an automated contained material handling system which contributes in improving our quality and obtaining higher yield. We also have an electronic camera inspection system, wherever required, to identify and remove defects. In addition, we have integrated auto cartoning and auto collect and shrink machines in our packaging process.

Our manufacturing is efficient. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded second highest fixed asset turnover ratio and returns on capital employed. *(Source: CRISIL Report, October 2023).*

The following table sets forth our fixed asset turnover ratio and return on capital employed on a restated consolidated basis and on a pro forma consolidated basis for the periods indicated.

	Restated Consolidated Financials(1)				Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Three months ended June 30, 2023**	**Fiscal 2023**
Fixed Asset Turnover Ratio(3)	4.88	5.10	5.37	0.72*	3.56

	Restated Consolidated Financials(1)				Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Three months ended June 30, 2023**	**Fiscal 2023**
Return On Capital Employed(4)	26.54%	23.46%	22.61%	3.75%*	24.04%

** not annualized*

(1) *Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.*

(2) *Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023 and the three months ended June 30, 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.*

(3) *Fixed asset turnover ratio, a non-GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year / period, other intangible assets as at the end of the year / period and capital work in progress as at the end of the year / period.*

(4) *Return on Capital Employed, a non-GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year / period.*

We have also made significant investments in quality management systems and our quality control laboratory information management system to support 'electronic-based' systems in manufacturing and quality controls as well as validation activities which enable us to undertake data analytics and track product level information across the different facilities and teams.

We believe that maintaining a high standard of quality for our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality management systems and procedures. The quality department of the Company is responsible for ensuring safety, identity, strength, purity, and quality for each product manufactured by effective implementation of pharmaceutical quality system processes, as well as their sequences, linkages and interdependencies. Many of our key customers have audited and approved our facilities and manufacturing processes in the past, which ensures that the regulator and our customers are able to confirm the continuance of quality of our facility and processes. In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and during the three months ended June 30, 2023, our facilities were audited 27 times and we had 83 customers' audits. In addition, our facilities have GMP certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the WHO and Ethiopia. We believe that our GMP certifications and scale of our operations creates a significant barrier to entry for new competitors.

We purchase APIs and other materials such as, excipients from third party suppliers domestically. In addition, we purchase certain APIs from third party international suppliers.

The table set forth below provides our mmaterials consumed and such costs of materials consumed as a percentage of revenue from operations on a restated consolidated basis and a pro forma consolidated basis for the periods indicated.

Particulars	Restated Consolidated Financials(1)								Pro Forma Condensed Consolidated Financial Information(2)	
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023		Fiscal 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Costs of materials consumed	3,014.60	82.44%	5,736.37	79.93%	6,466.06	76.63%	1,663.98	79.32%	7,377.66	70.56%

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

In addition, we source some of our raw materials internationally. The table set forth below provides the costs of imported raw materials and the costs of such imported raw materials as a percentage of total expenses on a restated consolidated basis and a pro forma consolidated basis for the periods indicated.

Particulars	Restated Consolidated Financials(1)								Pro Forma Condensed Consolidated Financial Information(2)	
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023		Fiscal 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Imported raw material	589.62	13.68%	830.70	13.64%	538.51	8.20%	13.96	1.15%	678.35	9.09%

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

We seek to maintain high service standards by sourcing most of our API and other materials from a small core of suppliers with reputations for quality products. We also undertake measures such as assessment questionnaires for suppliers of raw materials to assess quality systems. Our suppliers are selected based on quality, price, cost effectiveness, service levels and adequate staff with sufficient knowledge. We look to de-risk our supplier relationships. Accordingly, we do not have any long-term contracts with our third-party suppliers. Prices are negotiated for each purchase order, and we generally have more than one supplier for each raw material.

Rapidly growing domestic and international export branded generics businesses

Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India. Our domestic and international export branded generics businesses have been growing rapidly. During Fiscal 2021, Fiscal 2022 and Fiscal 2023 and during the three months ended June 30, 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million, ₹1,661.61 million and ₹422.53 million, respectively. Revenue from our domestic branded generic business on a pro forma consolidated basis was ₹1,661.61 million in Fiscal 2023. According to CRISIL Research, most of the Indian pharmaceutical market consists of generic medicines. Branded generics which are generic copies of the original drug with a new brand name and which are sold through various marketing and sales channels. *(Source: CRISIL Report, October 2023).* Branded generic products are generic medicines or drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies. *(Source: CRISIL Report, October 2023).* As of Fiscal 2023, branded generics contributed to 95% of the overall generics industry in India. *(Source: CRISIL Report, October 2023).*

We have developed a diversified branded generics product portfolio including tablets, capsules, dry syrups, dry powder injection, ointments and liquid orals.

Our products' strong brand recognition coupled with our long-term relationships and ongoing active engagements with our distributors has helped us expand our product offerings and geographic reach. We also sell certain of our generic drug products online through various e-commerce pharmacy sites. Our sales and marketing team focuses on maintaining our relationships with our distributors, building our retail pharmacy base and launching new products. As of October 31, 2023, we had a total sales and marketing team of 287 personnel focused on our domestic branded generics business.

In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generics to 20 and 16 countries, respectively. We have focused our international branded generic product business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As on October 31, 2023, we have 200 active product registrations (and 20 registration subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities. As on date of Red Herring Prospectus, we have a strong pipeline of over 36 in-process product dossiers for exports.

Our focus has been on expanding our country approvals and product registrations but also expanding our customer base and volumes sold to existing customers. As of October 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business

The table set forth below provides the contribution of our branded generics businesses to revenue from operations on a restated consolidated basis for the periods indicated.

Geography	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	₹ million	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**
Domestic branded generics	0.00	0.00%	370.51	4.63%	1,661.61	17.94%	422.53	18.12%
International branded generics	397.91	9.69%	767.81	9.59%	806.63	8.71%	247.80	10.62%
Total branded generics	**397.91**	**9.69%**	**1,138.32**	**14.22%**	**2,468.24**	**26.65%**	**670.33**	**28.74%**

Strong R&D focus to build an increasingly complex product portfolio and attract and retain customers

We are a R&D centric organization, and our R&D operations help us attract CDMO customers and grow our branded generic portfolio. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh. Our R&D laboratory is recognized by the DSIR for in-house R&D work. In addition, we are looking to establish a new R&D center in Panchkula, Haryana. Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes RMG/FBP/Compression machine and auto coater. In addition, our analytical laboratory is also equipped with HPLC, UV/dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods.

R&D is critical to maintaining our competitive position, addressing changing consumer trends and industry developments. Accordingly, we aim at increasingly engaging in R&D activities to develop various generic products, manufacturing processes and technologies for diverse therapeutic segments. In particular, our R&D laboratory is focused on developing processes for the manufacture of upcoming patent expired products. We also follow our policy of process validation involving process design based on the knowledge we gain through development and up-scale activities. Thereafter, we run checks for process qualification where we ascertain if the products are capable of reproducible commercial manufacturing.

We aim at using our inhouse R&D to develop different type of capsules, like tablets in capsule and modified and sustained release forms. We are increasingly engaged in R&D activities to develop various generic products, manufacturing processes and technologies for diverse segments. Through our R&D team we are adding products produced by nano technology as well as modified and sustained release and tablets in capsules. We have successfully utilized our R&D capabilities to develop various products, processes and technologies for diverse therapeutic segments. Our R&D has and will continue to assist us in developing newer technologies, delivery systems and manufacturing processes for existing as well as new products, which will help reduce the cost of production, simplify manufacturing processes to improve safety, reduce environmental load and provide us with other growth opportunities.

Complex generic products are hybrid drugs whose authorization depends partly on the results of the tests on the reference medicine and partly on new data from clinical trials and are expected to have same clinical effect and safety profile as the branded drugs. *(Source: CRISIL Report, October 2023).* Complex generic drugs and 'value-added generics' enable the manufacturers and marketeers to provide a differentiated product to the market with improved safety, efficacy and cost. *(Source: CRISIL Report, October 2023).* Through our R&D team we aim to add products produced by nano technology as well as modified and sustained release and tablets in capsules, liquid injectables and respules (inhalations solutions) dosage forms.

According to CRISIL Research, CDMO players are enhancing their operational capabilities to cater to the emerging products and newer technologies and according have invested in these technologies. For example, nano technology for drug delivery is among the emerging technologies for drug delivery. *(Source: CRISIL Report, October 2023).* Our R&D has developed a new formulation by drawing ternary phase diagrams and performing various experiments to keep our nano products in nano range (1nm to 200nm) to achieve better absorption as well as stability of drug in formulation. Our first product using nano technology, in liquid suspension dosage form, was commercialized in Fiscal 2022 for the domestic market.

Another emerging area, according to CRISIL Research, is the use of modified release dosage forms. (*Source: CRISIL Report, October 2023).* Modified release dosage forms are formulations where the rate and/or site of release of the active ingredients are different from that of the immediate release dosage form administered by the same route. *(Source: CRISIL Report, October 2023).* Our facilities produce tablets, capsules, dry syrups, dry injections, ointments and oral liquids. We have been developing the technology to produce modified release dosage forms to capture the market demand for these products and enhance our therapeutic advantage in overall product basket.

We have been using our inhouse R&D to develop different type of capsules, like tablets in capsule, tablets with pallets or powder in a capsule. These capsules offer an efficient control of drug release.

Further, we have developed process innovations inhouse including top spray in fluid bed systems in granulation and bottom spray in fluid bed systems in granulation. We have commercialized 56 products in our portfolio since Fiscal 2021.

As part of our quality check system, we also have audit programs such as a change control program, a stability testing program, a calibration program, a compliant system and a reserve sample management program. We use our own R&D resources to develop, optimize and standardize our formulations and manufacturing process, and conduct the required stability testing as well as conduct clinical studies through qualified third-party contract research organizations to obtain the requisite regulatory licenses required to manufacture such complex generic products. Further, the development and manufacturing of complex generic products typically involves a higher degree of expertise and trained manpower and also utilizes higher overall process times which is also reflected higher margins in comparison to conventional products. *(Source: CRISIL Report, October 2023).* In addition, the manufacturing of complex generics provides for higher profitability owing to limited competition with presence of only a few players. *(Source: CRISIL Report, October 2023).* We believe our R&D efforts to develop complex products will not only assist us in attracting and retaining CDMO customers, but also will contribute to branded generics business domestically and exports internationally.

As of October 31, 2023, we employed a team of 29 scientists and engineers at our R&D laboratory. Our team includes professionals experienced in formulation and analytical method development.

Consistent financial performance

We have demonstrated strong growth in terms of revenues and profitability. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin and the third highest net profit margin. *(Source: CRISIL Report, October 2023).*

Our major financial performance indicators are provided below:

(in ₹ million, except percentages, days and ratios)

	Restated Consolidated Financials(1)				Pro Forma Condensed Consolidated Financial Information(2)
Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Three months ended June 30, 2023**	**Fiscal 2023**
Revenue from operations	4,106.62	8,005.26	9,263.80	2,332.43	11,185.96
Sale of Goods and Services outside India *	397.91	767.81	806.63	247.80	2,234.83
Sales of Goods & Services outside India (% of Revenue from Operations)	9.69%	9.59%	8.71%	10.62%	19.98%
Profit for the year / period	345.00	639.53	679.54	175.93	1,011.20
PAT Margin(3)	8.40%	7.99%	7.34%	7.54%	9.04%
EBITDA(4)	558.57	989.03	1,228.45	324.24	1,972.75
EBITDA Margin(5)	13.60%	12.35%	13.26%	13.90%	17.64%
Capital Expenditure(6)	110.63	768.24	260.99	143.90	310.84
Working Capital Days(7)	123	99	99	110	100
Fixed Asset Turnover Ratio(8)	4.88	5.10	5.37	0.72*	3.56
Return On Equity(9)	23.82%	30.66%	24.58%	4.81%*	31.06%
Return On Capital Employed(10)	26.54%	23.46%	22.61%	3.75%*	24.04%

Notes:

** not annualized*

(1) Derived from the Restated Consolidated Financial Information. Our Company acquired the assets and liabilities of the Innova Partnership through a Slump Sale effective March 31, 2021 and acquired UML effective December 31, 2021. Accordingly, our Restated Financial Information does not include for financial information for UML and the Innova Partnership prior to their acquisition by our Company and our results are not comparable on a period-to-period basis.

(2) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus.. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

(3) PAT Margin, a non – GAAP measure, is calculated as profit for the year / period divided by revenue from operations.

(4) EBITDA, a non – GAAP measure, is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, (iii) finance costs and (iv) depreciation and amortization expense.

(5) EBITDA Margin, a non – GAAP measure, is calculated as EBITDA divided by revenue from operations.

(6) Capital expenditure is calculated as additions to property, plant and equipment during the year plus additions to other intangible assets during the year less the balance of capital work in progress at beginning of the year plus balance of capital work in progress at end of the year.

(7) Working Capital Days is calculated as Working Capital (trade receivables plus inventories plus other current assets minus trade payables minus other current liabilities minus provisions minus current tax liabilities(net)) as at the end of the year / period multiplied by the number of days in the year (i.e., 365 days) divided by revenue from operations.

(8) Fixed asset turnover ratio, a non – GAAP measure, is calculated as revenue from operations divided by sum of property, plant and equipment as at the end of the year / period, other intangible assets as at the end of the year / period and capital work in progress as at

the end of the year / period.

(9) *Return on equity, a non – GAAP measure, is calculated as profit for the year / period divided by total equity.*

(10) *Return on Capital Employed, a non – GAAP measure, is calculated as sum of earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year / period.*

* *Excluding duty drawback and export incentives*

As per the credit rating letter dated September 27, 2023, our long-term bank facilities have been rated CARE A- (Negative) and our short-term bank facilities have been rated CARE A2+. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISL Report, we recorded second highest fixed asset turnover ratio and returns on capital employed. *(Source: CRISIL Report, October 2023).*

Experienced promoters and management team

We are led by a qualified and experienced management team that we believe has the expertise and vision to manage and grow our business. Our promoter and co-founder, Mr. Manoj Kumar Lohariwala, is our Chairman and Whole-time Director, with approximately 26 years' industry experience in the field of manufacturing and marketing of pharmaceutical products. Our promoter and co-founder, Mr. Vinay Kumar Lohariwala, is our Managing Director with approximately 21 years' industry experience in the field of manufacturing and marketing of pharmaceutical products. In addition to our Promoters, our senior management team is also very experienced in the pharmaceutical industry, many of whom have worked in multi-national companies in the past and possess a range of qualifications, including graduate and post-graduate degrees in science and pharmacy. We believe that the knowledge and experience of our Promoters, along with senior management, and our team of dedicated personnel provide us with a significant competitive advantage as we seek to expand into new products, grow our existing markets and enter new geographic markets.

Further, we are supported by our technically qualified employee team who possess a range of qualifications, including graduate and post-graduate degrees in science and pharmacy. Our employee base was over 1,560 employees as of October 31, 2023 (not including Sharon). Our position as the second largest pharmaceutical formulation CDMO represents a significant competitive advantage in attracting and retaining high-quality scientists required to successfully differentiate our service and product offerings from those of other CDMOs.

Our Strategies

We have adopted the following key business strategies:

Expansion of our manufacturing capacities

CDMOs are considered an important and growing part of the pharmaceutical value chain. *(Source: CRISIL Report, October 2023).* The CDMO market in India is competitive and, hence, differentiation is important to remain competitive in the market. According to CRISIL Research, players with differentiated technologies, offering manufacturing of complex molecules which usually has high barriers to entry and higher regulatory compliance enjoy higher growth and higher margins as compared to their peers. *(Source: CRISIL Report, October 2023).*

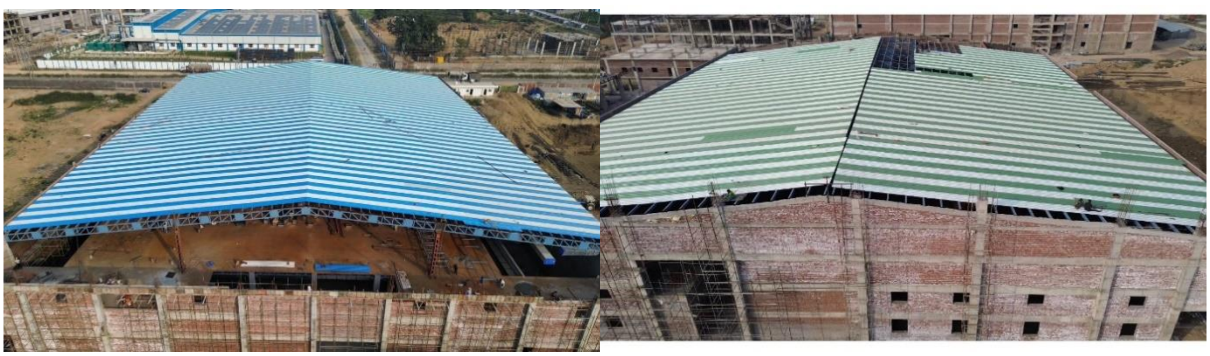
The Indian CDMO market has grown at a rate of 14% CAGR in the last five years from Fiscal 2018 to Fiscal 2023, and CRISIL Research expects this trend to continue over the next five years from Fiscal 2023 to Fiscal 2028 with the Indian CDMO market projected to grow at approximately a 12-14% CAGR over the next five years from ₹1,310 billion in Fiscal 2023 to ₹2,400-2,500 billion in Fiscal 2028. *(Source: CRISIL Report, October 2023).* According to CRISIL Research, in dosage terms, oral solids dominate the Indian formulations industry with approximately 63% share in value terms and 62% in volume terms in Fiscal 2023. (*Source: CRISIL Report, October 2023).* Similarly, the injectables segment constituted 14-15% (in value terms) and approximately 14% CAGR (in volume terms) of all dosage forms catered by domestic formulations industry in Fiscal 2023. *(Source: CRISIL Report, October 2023).*

By expanding our manufacturing capacity in these areas, we will be able to expand our product offering in both our CDMO and our branded generic businesses. Accordingly, we are planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections. The estimated total project cost for this new manufacturing facility at Jammu is ₹3,551.72 million, as certified by Ravinder K. Sharma & Co. Chartered

Accountants. We have also acquired the necessary land to build this new facility. We anticipate benefitting from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. Under this scheme, the GoI offers companies registered under the scheme a capital investment incentive, a capital interest incentive, a goods and service tax incentive and a working capital interest incentive.

As on November 15, 2023, we have made the following progress on construction of our new Jammu Facility:

- Land has been acquired and possession has been taken;
- Construction is ongoing;
- Orders for plant and machinery are ongoing;
- Construction contracts are being finalized;
- Purchase orders for plant, equipment and other fixed assets, both imported and indigenous, amounting to ₹2,946.97 million have been placed;
- An amount of ₹2,498.65 million has already been incurred on the project out of which ₹1,061.48 million has funded by through our internal accruals and the remaining ₹1,437.16 million has been disbursed by HDFC bank / State Bank of India;
- Out of the purchase orders placed for imported machinery and equipment, 4 sets of blow fill seal machines having invoice value of CHF 13.50 million (₹1,302.87 million) have been received at the facility;
- Acknowledgment of our intent to establish a manufacturing enterprise has been received from the office of the General Manager of District Industries Centre, Kathua;
- GST registration has been received; and
- Consent to Establish received from the Jammu and Kashmir State Pollution Control Board.



Under construction site of the Jammu facility as on November 09, 2023.

Integration of the acquired Sharon business

We acquired Sharon pursuant to CIRP under the IBC. Sharon is engaged in the business of manufacturing of intermediates and APIs and also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra.

Through the integration process, we are aiming to

- achieve backward integration of Sharon's API business,
- add a dimension of toxicology business to our business value chain,
- enhance access to regulated international markets through additional accreditations; and
- increase our international business markets and customers.

Expand the wallet share of existing customers and develop new customers

We aim to expand our business with existing customers and to develop new customers. We aim to increase the formulations manufactured for our existing customers through us by leveraging our inhouse R&D and large-scale manufacturing capabilities. Further, we aim to build additional business from our existing customers by the expansion of our portfolio into new products and more complex dosages as well as the expansion of our manufacturing capacities. For example, our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis. Our number of CDMO products sold in the three months ended June 30, 2023 was 1,088 on a restated consolidated basis. Such expansion will also help us develop new customers as we are able to service a wider and deeper set of requirements of such customers.

Our customer relationships are longstanding. We had 239 customers in aggregate in Fiscal 2021, Fiscal 2022 and Fiscal 2023, on a restated consolidated basis, and we have enjoyed business relationships of more than five years with 45.19% of these customers. We added 95 customers in aggregate in Fiscal 2021, Fiscal 2022 and Fiscal 2023, on a restated consolidated basis. .

Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited. We believe that the relationships that we have enjoyed with our customers over the years are an indication of our position as a preferred supplier. We believe that our continuing R&D endeavours and our reputation for quality and timely delivery will help us to increase our wallet share and product portfolio with existing customers.

We have a sales and marketing team. As of October 31, 2023, we had a total sales and marketing team of 296 personnel. We have a sales and marketing office in Panchkula, Haryana. In addition, as of October 31, 2023, we had a team of 6 sales personnel to assist our international sales and marketing efforts.

We intend to use our reputation and brand in our CDMO business to expand our customer base for our new products. Further, our R&D has played a key role in the expansion of our commercialized product portfolio. We believe that our R&D capabilities for new products will be significant in attracting new customers to our business.

Continued focus on our R&D operations

Our R&D operations is the growth engine for our business, and we will continue to focus on expanding our research activities for our CDMO and branded generic businesses. In Fiscal 2024, we have 72 new therapeutic generic products in the development stage and expect that 30 new generic products will be commercialized in Fiscal 2024. Accordingly, we endeavor to keep R&D expenditure at current levels and will continue to invest in R&D capital expenditure. For example, we have been focused on nano technology, modified and sustained release dosage forms, liquid injectables and respules.

As on date of Red Herring Prospectus, we have 218 fresh registration applications in process with international authorities. Further, as on date of Red Herring Prospectus, we had begun preliminary research on over 15 formulations that had gone (or are going) off patent.

We are also looking to expand the capacity of our R&D laboratories. In addition, we are looking to establish a new R&D center in Panchkula, Haryana. We have already acquired land for the same. The new R&D center will be equipped with advanced equipment and instruments and will focus on the development of generic and complex generic products.

Growing our international export business

In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. We have focused our international branded generic business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As on October 31, 2023, we have 200 active product registrations (and 20 registration subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities. CRISIL Research expects India's formulation exports to increase at a 6-8% CAGR from Fiscal 2023 to Fiscal 2025, compared to an approximate 8-9% CAGR over the previous five years from Fiscal 2018 to Fiscal 2023 (*Source: CRISIL Report, October 2023*).

Our strategy is also to expand our exports to developed markets like the United Kingdom, and Canada. We are currently working with customers in Canada, and the UK to obtain product approvals. For example, in Canada, we are working with a pharmaceutical company to develop various products which we will manufacture and our partner will market. Our R&D team is working with our partner to develop drugs which we aim to submit to the concerned regulatory authority. In addition, in Canada, through the technology transfer route, we are looking to manufacture two products in solid dosage form. The products are waiting for regulatory clearance. In the United Kingdom, through technology transfer route, we are introducing three new products in both solid as well as dry powder injection dosage form for the UK market. The products are waiting for regulatory clearance. We are currently developing six product formulations for the European market. We have completed a submission batch manufacturing (exhibit batch) to The European Medicines Agency (EMA) for two of these products.

In addition, we aim to continue expand our range of generic products to meet the requirements of the markets we cater to. As of October 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business and we plan to increase our marketing efforts to pharmaceutical companies in our target market countries. Our sales and marketing efforts will be focused on attending international trade fairs and exhibitions; frequent country visits by our marketing team, showcasing our manufacturing facilities and marketing our international product dossier and data.

Expanding our domestic branded generics business

According to CRISIL Research Indian domestic formulations segment (consumption) is expected to grow at a CAGR of 9-10% over the next five years from Fiscal 2023 to reach approximately ₹2.8-3.0 trillion in Fiscal 2028, aided by strong demand because of rising incidence of chronic diseases, increased awareness and access to quality healthcare. *(Source: CRISIL Report, October 2023).*

In Fiscal 2023 and in the three months ended June 30, 2023, we marketed our domestic branded generics business through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies across India. We aim to grow our pan-Indian network to include more retailers and expand our geographic reach. To that end, we are employing a sales and marketing field team to expand our distributor, stockist and retailer relationships and support our new generic product launches. As on date of October 31, 2023, we had 287 marketing representatives, and we look to further expand our team during Fiscal 2024. In addition, we plan to expand our target-based incentive schemes to boost sales from our distributors and we also aim to attract new retailers by continuous engagement.

Growth through strategic acquisitions

We will look to capitalize on the growth in the pharmaceuticals market in India by pursuing strategic acquisitions with a focus on backward integration or expansion of capabilities in terms of capacity or products. In particular, we will look for targets with R&D and manufacturing assets that are in line with our existing or desired competencies as well as having the profitability metrics that fit in with our business philosophy. We also will look for opportunities to acquire businesses to add additional pharmaceutical, chemistry or technological competencies or to expand our product portfolio into new brands, new dosage capabilities or enter therapeutic segments where we are currently not present (for example, liquid injectables, hormones and oncology products). In addition, we will look for targets that present backward integration opportunities that could improve our supply chain efficiency, working capital and reliability of raw material procurement. Further, we are focused on identifying acquisition targets that have natural synergies with our business and that will benefit from our management expertise, our R&D and manufacturing competencies and the scale of our pan-Indian distribution network.

Acquisition of Sharon Bio-Medicine Limited ("Sharon")

Sharon is engaged in the business of manufacturing of intermediates and API as well as finished dosages. It also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra. As of October 31, 2023, Sharon had 567 employees. We had Nil revenue from Sharon on a restated consolidated basis in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023. Revenue from Sharon on a pro forma consolidated basis was ₹1,922.16 million in Fiscal 2023.

Sharon engages in commercial manufacturing of generic products including (i) formulation generic products and (ii) APIs and intermediates for generic formulations. Sharon enters contract manufacturing agreements with its customers. Sharon offers its customers solid oral dosage forms, including tablets and capsules. Sharon's major formulation products include paracetamol tablets, famciclovir tablets, trazodone IR and MR tablets, Celecoxib capsules, Loperamide capsules, Ezetimibe tablets and Azithromycin tablets. Sharon also manufactures APIs and intermediates in key therapeutic areas including cardio-vascular, anti-fungal, anti-diabetic, muscle relaxant and anti-psychotic. Sharon's major API and intermediate products were Eperisone Hydrochloride, Trimetazidine Hydrochloride, Miconazole Nitrate, Ketoconazole and Nifedipine. Also, three API products are vertically integrated to formulations, which comprise Aripiprazole, Memantine Hydrochloride and Trazodone Hydrochloride.

The table set forth below sets forth the contribution of Sharon's branded generics businesses to Sharon's revenue from operations in Fiscal 2023 and the three months ended June 30, 2023.

(in ₹ million)

Sharon Revenue from Operations – Fiscal 2023				
Category	**Formulation**	**API**	**CRO Services(1)**	**Total**
Domestic	283.55	162.78	27.86	474.19
Exports (including duty drawback and export incentives)	948.76	385.86	113.35	1,447.96
Total	**1,232.31**	**548.64**	**141.20**	**1,922.16**
Sharon Revenue from Operations – Three months ended June 30, 2023				
Domestic	73.60	57.10	3.89	134.60
Exports (including duty drawback and export incentives)	217.70	104.26	12.97	334.93
Total	**291.30**	**161.36**	**16.86**	**469.52**

1) *CRO services performed at Sharon's R&D Sanctuary.*

In Fiscal 2023 and in the three months ended June 30, 2023, Sharon formulation sales were mainly exports to Canada, the United Kingdom, Europe, Australia and Central and South America. Major formulation customers of Sharon included global and regional pharmaceutical companies. In Fiscal 2023 and in the three months ended June 30, 2023, Sharon's APIs and intermediates sales included domestic sales to customers and exports sales to customers primarily located in Europe, Korea and Vietnam.

Sharon also has established Sa-ford, a sanctuary for research and development ("**Sa-Ford**" or the "**R&D Sanctuary**"), which is Sharon's initiative towards building a contract research organization. Sa-Ford also offers services in the areas of chemistry (physico-chemical characterization, 5-batch analysis and analytical method development). Sharon's R&D Sanctuary has its footprints across the globe including south east Asia, Europe and Australia. As of October 31, 2023, Sharon's Research and Development department consists of 59 employees.

Sharon has two manufacturing facilities located in Dehradun, Uttarakhand and Taloja, Maharashtra and a research facility at Taloja, Maharashtra. In Fiscal 2023 and in the three months ended June 30, 2023, for Dehradun Facility (Formulation), the total installed capacity was of 2,012.10 million and 503.03 million tablets and capsules, respectively, and for Taloja facility (API), the total installed capacity was of 313.31 metric tonne and 78.33 metric tonne, respectively. In Fiscal 2023 and in the three months ended June 30, 2023, for Dehradun Facility (Formulation), the manufacturing capacity utilization of tablets and capsules was 48% and 43.78%, respectively; and for Taloja facility (API), the manufacturing capacity utilization was 49.60% and 64.21%, respectively.

Assumptions:

Following assumptions and estimates has been made by the management and taken into account / verified by Parashar & Co., Chartered Engineer, while certifying the details above:

Formulation division:

1. The installed capacity of the manufacturing facilities of Sharon has been calculated by using the equipment manufacturer's rated maximum capacity for an installed equipment and adjusting it at a specific of rated maximum capacity, considering Operation Feasibility and to avoid M/c breakdown, product and personnel safety including down time between any batches due to product change over related equipment cleaning, scheduled breaks are taken into account to calculate the installed capacity during the year/ period.

2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that each manufacturing facility of Sharon operates for 312 days in a year in two daily shifts for installed capacity as notional capacity for capacity utilization. This methodology is consistent with industry practice.

3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing units of Sharon as of at the end of the relevant period.

API division:

1. The Installed capacity has been calculated based on the available reaction hrs to produce existing product mix. Reaction hrs has been worked after considering Holidays, Preventive maintenance, cleaning time between 2 batches and due to product change over. Installed capacity has been worked based on bottle neck out of various stages production. Installed capacity includes both Intermediate and Finished stages production.

2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that manufacturing facility of Sharon operates for 275 days in a year on continuous basis for installed capacity as notional capacity for capacity utilization.

3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing units of Sharon as of at the end of the relevant period.

Location	Commissioning Date (1)	Constructed Area (sq mts)	Leased/ Owned	Headcount (2)	Proximities	Product Lines
Dehradun, Uttarakhand	2007	11,000	Owned	289	Rail: 25 Kms Port: 50 Kms	Formulation generic products
Taloja, Maharashtra	2009	6,500	Leased for 95 years from August 1, 1991	151	Rail: 20 Kms Port: 50 Kms	API and intermediates
Taloja Maharashtra	2008	1,164	Leased for 95 years from May 1, 1995	82	Rail: 20 Kms Port: 50 Kms	Toxicology and Chemistry services

(1) Calendar year of commissioning of the facility.
(2) Permanent employees as of October 31, 2023.

Sharon's Dehradun facility is able to carry out flexible batch sizes for Oral Solid Dosage for formulations ranging from 30 kg to 2000 kg. The Dehradun facility has 5 lines of wet granulation and 1 line of dry granulation, 7 compression lines, 1 capsule filling line (with capacity of 150,000 per hour), automated coaters, automated packaging machines and a 2D barcode facility for EU exports. The Dehradun facility is also equipped with chromatography (liquid, gas, ion, thin layer), particle analyzer IR & UV spectrophotometer, atomic absorption spectrophotometer, viscometer, dissolution test apparatus, stability chambers, incubators and autoclaves.

Sharon's Dehradun facility has received a GMP certificate from Food Safety and Drugs Administration Authority, Dehradun. The Dehradun facility's power is sourced through the local state power grid and its own generators.

Sharon's Taloja facility has three independent manufacturing, powder processing and finishing lines capable of handling batches from low pilot scale to as high as 750 kg sizes. The Taloja facility has glass line reactors (80 ltrs to 4000 ltrs), 14 stainless steel reactors, 2 MSGL reactors and 18 air handling units. The Taloja facility is also equipped with chromatography (liquid, gas, ion, thin layer), stability chambers, incubators and autoclaves. It is equipped with its own boilers, 1200 KVA transformer, back-up generators, cooling towers and air compressors. The Taloja facility has received the GMP certificate from Food and Drugs Administration, Maharashtra in the format recommended by WHO and was last inspected by US FDA in February with establishment inspection report closed in April 2019.

Sharon's R&D Sanctuary at Taloja is a contract research facility. The facility has the maximum housing capacity of approximately 8000 animals which comprises of rats, rabbits, guinea pigs, mice, birds and fishes. The facility has accreditation from AAALAC (Association for Assessment and Accreditation of Laboratory Animal Care) International. The facility is registered for research for commercial purpose and in-house breeding of small animals with Committee for the purpose of Control and Supervision of Experiments on Animals (CPCSEA) of India. It has also constituted the Institutional Bio-safety Committee (IBSC) which includes a nominee from the GoI's Department of Biotechnology which is mandatory for organisations which carry out or are engaged in research activities involving genetic manipulation of genetic materials, microorganisms, plants or animals.

Sharon has its own warehouse facilities, and uses third-party logistics providers for the transportation of its products and/or raw materials.

As of October 31, 2023, Sharon had 567 employees. The Taloja facility (manufacturing intermediaries and API workers) has two recognised trade unions with long term settlements in place until December 2024, and the Taloja facility (toxicology R&D workers) have two recognised trade unions with long term settlements in place until May 2024.

Our Business

We have three businesses: (i) CDMO services and products, (ii) domestic branded generics and (iii) international branded generics.

The tables set forth below sets forth our revenue from operations by business and as a percentage of revenue from operations on a restated consolidated basis and a pro forma consolidated basis for the periods indicated.

Business Area	**Restated Consolidated Financial Information**							
	Fiscal 2021		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	₹ million	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**	**₹ million**	**% of revenue from operations**
CDMO services and products*	3,708.71	90.31%	6,866.94	85.78%	6,795.56	73.36%	1,662.10	71.26%
Domestic branded generics	0.00	0.00%	370.51	4.63%	1,661.61	17.94%	422.53	18.12%
International branded generics	397.91	9.69%	767.81	9.59%	806.63	8.71%	247.80	10.62%
Sharon	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Revenue from Operations	**4,106.62**	**100.00%**	**8,005.26**	**100.00%**	**9,263.80**	**100.00%**	**2,332.43**	**100.00%**

* *Including incentives and scrap sales*

Business Area	Pro Forma Condensed Consolidated Financial Information[(1)]	
	Fiscal 2023	
	₹ million	% of revenue from operations
CDMO services and products*	6,795.56	60.75%
Domestic branded generics	1,661.61	14.85%
International branded generics	806.63	7.21%
Sharon	1,922.16	17.18%
Revenue from Operations	**11,185.96**	**100.00%**

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

* *Including incentives and scrap sales*

CDMO services and products

Our CDMO services and products include commercial large-scale manufacturing of generic products. We aim to deliver customized and efficacious generic products to our customers. Thereafter, we purchase APIs and other materials such as, excipients from third party suppliers domestically. In addition, we purchase certain APIs from third party international suppliers. After manufacturing, the focus shifts to packaging and then distribution and marketing.

CDMO product portfolio

Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology.

CDMO Agreements

Our CDMO agreements are typically long-term in nature where the validity of the contract usually ranges between two to five years, with the option of renewal on mutually agreed terms. Our CDMO agreements with our customers typically (i) provide that the quality, quantity and specifications for the products shall be approved by the customer and be in accordance with the requirements specified in the relevant agreements; (ii) require us to be responsible for the procurement of raw materials and packaging materials in accordance with the specifications provided by the customer and in certain cases, the vendor shall be approved by the customer; and (iii) provide that the pricing and supply terms shall be mutually agreed upon between the customer and us, and in accordance with the purchase orders placed.

In addition, certain of our agreements require customers to provide periodic forecasts and estimates indicating the quantities of the product they intend to purchase, however, certain portions of such forecasts and estimates are non-binding in nature. Our CDMO agreements also typically provide the customer the right to return/ reject the product in case it fails to meet the specified specifications within a stipulated timeframe and we are responsible to replace such products free of any additional cost within a stipulated timeframe along with providing indemnity to the customer for losses arising from breach of obligations, quality, contents, characteristics of the products and manufacturing defect. In cases of recall of the product manufactured by our Company, our CDMO agreements typically require us to bear all the expenses and costs of such recall either upfront or by way of deduction from our bills. Further, our CDMO customers are typically provided the right to audit our manufacturing facilities, processes or systems, under such agreements, by providing a certain amount of notice. In certain CDMO agreements, our CDMO customers have the right to subject our products to quality control assessments either by themselves or by independent testing authorities, and in case the defect is attributable to us, we are required to recall the products at our own cost and expenses. In addition, in respect of intellectual property under the respective agreements, certain CDMO agreements specifically provide that the trademark is owned by the customer and certain CDMO agreements specifically provide that the trademark is owned by the customer and some agreements provide that we will be required to indemnify the customers in case of third-party infringements. Certain CDMO agreements also allow our customers to opt for terminating the agreement with our Company if there is any change in control or management of our Company. Also, see, "*Risk Factors - Failure to comply with the quality requirements and technical specifications prescribed by our 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 39 of the Red Herring Prospectus.

Domestic Branded Generics

Our domestic branded generics business consists of generic products, which are marketed, distributed and promoted in India under our own brand names and manufactured by us. Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India. According to CRISIL Research, most of the Indian pharmaceutical market consists of generic medicines. Branded generics which are generic copies of the original drug with a new brand name and which are sold through various marketing and sales channels. *(Source: CRISIL Report, October 2023)*. Branded generic products are generic medicines or drugs for which the patents have expired and are typically used as a substitute for more expensive branded generic medicines in order to offer affordable medicines to patients by the retailers and pharmacies. *(Source: CRISIL Report, October 2023)*. We commenced our branded generics with a strategic intention to capitalize on the market opportunity presented by India's unmet need of affordable and quality medicines.

We offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as capabilities in more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology. Our products cover the following therapeutic areas:

Cephalosporins	Proton Pump Inhibitor	Anticholinergic and Heparin
NSAIDs, Analgesics and Antipyretic	Anticold and Antiallergic	Antiemetic
Antidiabetic	Antispasmodic	Antifibrinolytic
Cardiovascular	Antioxidant and Vitamins	Antihyperuricemia and Antigout
Fluoroquinolone and Macrolide	Nootropics and Neurotonics / Neurotrophics	Antiulcerative
Antimalarial	Anxiolytic, Anticonvulsant and Antipsychotic	Bladder and Prostate Disorder
Antifungal, anthelmintic and Antiviral	Anticholinergic, Anti-Asthmatic and bronchodilator	Erectile Dysfunction

International Branded Generics

In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. We have focused our international branded generic product business on emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom and Canada. As on October 31, 2023, we have 200 active product registrations (and 20 registration subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities.

As of June 30, 2023, we had international accreditations in the markets set forth below, and in most of these markets our manufacturing facilities are audited by the applicable authority.

Accreditation Authority	Country	Status
Food, Medicine and Health Care Administration and Control Authority	Ethiopia	Audited
Tanzania Medicine and Medical Devices Authority	Tanzania	Renewal application made

National Drug Authority	Uganda	Audited
Medical Technology and Supplies (Drug Regulatory Authority)	Sri Lanka	Site Registered

Customers

Our CDMO business caters to the Indian pharmaceutical companies, our domestic branded generic products businesses cater to the end-user market through a strong network of distributors, stockists and retail pharmacies; and our international business caters to pharmaceutical companies and international distributors.

We believe that our operational track record in successful delivery of products, R&D, quality and technical standards and productivity has facilitated the strengthening of our customer base and helped us in expanding our product and service offerings as well as geographic reach. Our ability to maintain our track record helps strengthen trust and engagement with our customers, which enhances our ability to retain them and extend our engagement.

CDMO customers

In our CDMO business, we have developed relationships across the Indian pharmaceutical industry. In Fiscal 2023, we had 182 CDMO customers. Some of our key customers include Cipla Limited, Wockhardt Limited, Glenmark Pharmaceuticals Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited.

The following table sets forth the number of domestic customers on a restated consolidated basis to which we have provided CDMO services and products in the periods indicated:

Particulars	Fiscal 2021	Fiscal 2022	Fiscal 2023	Three months ended June 30, 2023
Number of CDMO customers	119	174	182	133

For more information, see "- *Competitive Strengths - Well established relationships with our marquee CDMO customer base"* on page 186 of this Red Herring Prospectus.

Domestic branded generics distribution

Our branded generics business is diversified, and we are not dependent on a small number of distributors. We market our branded generic products through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies across India. Our pan-Indian reach, we believe gives us a competitive advantage over smaller players. Our products' strong brand recognition coupled with our long-term relationships and engagements with our distributors has helped us expand our product offerings and geographic reach.

International exports

We export generic products to emerging and semi-regulated international markets. In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. We have focused our international branded generic product business on emerging and semi-regulated international markets but are expanding our business to regulated markets like the United Kingdom and Canada.

Research and Development

The foundation of our Company is our in-house research and development. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh. Our R&D laboratory is recognized by DSIR for in-house R&D work. In addition, we are looking to establish a new R&D center in Panchkula, Haryana, as well as a new facility in Jammu.

As on October 31, 2023, we employed a team of 29 scientists and engineers at our R&D laboratory. Our team includes professionals experienced in formulations development and analytical method development. With a view to further strengthen our R&D capabilities, we aim to appoint scientists of varied experience and expertise at our R&D laboratory with an objective to successfully implement our strategy of early identification of development and manufacturing opportunities.

Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes RMG/FBP/Compression machine and auto coater. In addition, our analytical laboratory is also equipped with HPLC, UV/dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods. Our R&D has played a key role in the expansion of our commercialized product portfolio. We have successfully developed through our inhouse R&D products in the categories of immediate release, super bioavailability capsules, and nano size formulation for increased bioavailability. We also have experience in handling CDMO and loan license projects.

Manufacturing

We have two manufacturing facilities in Baddi, Himachal Pradesh. Our facilities produce tablets, capsules, dry syrups, dry injections, ointments and oral liquids.

A description of the manufacturing facilities is set forth below.

Facility Name	Address	Commissioning Date	Land Area (in square Meters)	Owned/ leased	Type of Products Produced
Unit 1	81-A and 81-B EPIP, Phase-1, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	October 18, 2006	4,000	Leased	Tablets, capsules, and ointments.
Unit 2-C	1281/1, Hilltop Industrial Estate, Phase-I, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	March 31, 2010	26,980	Owned	Tablets, capsules, dry powder injections and dry syrup.
Unit 2-G	1281/1, Hilltop Industrial Estate, Phase-I, Jharmajri, District Solan, Baddi 174 103, Himachal Pradesh	July 1, 2017		Owned	Tablets, capsules, liquids orals and dry syrups.
Total		-	**30,980**	-	-

Our manufacturing facilities are equipped with modern machinery and equipment which enable us to produce our products like rapid mixer granulators, fluidized bed processors, square cone/octagonal blenders, compression machines, auto-coaters, automatic capsule filling machined, liquid manufacturing tanks, fully automatic liquid sealing and filling machine, rotary vial washing machines, sterilization and depyrozenation machines, dry injection powder filling and bunging machines, serialization and tamper evident machines, auto-cartonators (automatic cartoning machines), bung processor cum steam sterilization machines and autoclave cum steam sterilization machines.

Our facilities are ISO 9001:2015 (quality management system) certified. Our facilities have GMP certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the WHO and Ethiopia.

Capacity, Production and Capacity Utilization

In Fiscal 2021, Fiscal 2022, Fiscal 2023 and in the three months ended June 30, 2023, the total installed capacity of our Company and the Innova Partnership, on a combined basis (not including Sharon), was of 4,239.31 million, 5,556.73 million, 8,191.59 million tablets and 2,047.90 tablets, respectively, and 1,591.20 million, 2,048.16 million, 2,472.48 million and 618.12 million capsules, respectively, during the same periods. In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, the aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis (not including Sharon), for tablets was 66.49%, 54.61%, 40.68% and 46.72%, respectively, and for capsules was 60.03%, 52.04%, 55.49% and 65.98%, respectively.

The following table sets forth information relating to the installed capacity, actual production and capacity utilization of our Company and the Innova Partnership, on a combined basis, at our two manufacturing facilities for the period indicated. The following tables do not include any capacity, actual production or capacity utilization for Sharon.

Facility/Dosage forms	**As of and for year ended March 31,**			**As of and for the three months ended June 30,**
	2023	**2022**	**2021**	**2023**
Unit 1 Tablets				
Installed capacity (million)[1]	1,157.07	1,157.07	1,157.07	289.27
Actual production (million)	833.69	817.98	855.46	219.88
Capacity Utilization (%)[2]	72.05	70.69	73.93	76.01
Unit 1 Capsules				
Installed capacity (million) [1]	367.20	367.20	367.20	91.80
Actual production (million)	211.72	256.62	237.27	58.08
Capacity Utilization (%)[2]	57.66	69.89	64.62	63.27
Unit 1 Ointments				
Installed capacity (million) [1]	22.81	22.81	22.81	5.70
Actual production (million)	14.42	12.85	17.36	3.79
Capacity Utilization (%)[2]	63.23	56.33	76.11	66.49
Unit 2-C Tablets				
Installed capacity (million) [1]	762.05	762.05	762.05	190.51
Actual production (million)	409.56	322.62	254.77	102.89
Capacity Utilization (%)[2]	53.74	42.34	33.43	54.01
Unit 2-C Capsules				
Installed capacity (million) [1]	367.20	367.20	367.20	91.80
Actual production (million)	52.15	82.95	46.36	21.63
Capacity Utilization (%)[2]	14.20	22.59	12.63	23.56
Unit 2-C Dry Powder Injection				
Installed capacity (million) [1]	60.48	60.48	60.48	15.12
Actual production (million)	44.76	46.73	35.76	10.93
Capacity Utilization (%)[2]	74.01	77.27	59.13	72.29

Facility/Dosage forms	As of and for year ended March 31,			As of and for the three months ended June 30,
	2023	2022	2021	2023
Unit 2-C Dry Syrup				
Installed capacity (million) (1)	29.38	29.38	29.38	7.34
Actual production (million)	25.78	26.63	15.34	7.55
Capacity Utilization (%)(2)	87.75	90.64	52.21	102.86
Unit 2-GTablets				
Installed capacity (million) (1)	6,272.47	3,637.61	2,320.19	1,568.12
Actual production (million)	2,089.39	1,893.70	1,708.36	634.07
Capacity Utilization (%)(2)	33.31	52.06	73.60	40.44
Unit 2-G Capsules				
Installed capacity (million) (1)	1,738.08	1,313.76	856.80	434.52
Actual production (million)	1,108.17	726.22	671.61	328.14
Capacity Utilization (%)(2)	63.76	55.25	78.39	75.52
Unit 2-G Liquid Orals				
Installed capacity (million) (1)	70.99	70.99	70.99	17.75
Actual production (million)	61.55	63.82	26.37	14.94
Capacity Utilization (%)(2)	86.70	89.90	37.15	84.17
Unit 2-G Dry Syrup				
Installed capacity (million) (1)	24.19	24.19	24.19	6.05
Actual production (million)	2.49	1.88	0.83	1.20
Capacity Utilization (%)(2)	10.29	7.77	3.43	19.83
Overall Tablets				
Installed capacity (million) (1)	8,191.59	5,556.73	4,239.31	2,047.90
Actual production (million)	3,332.64	3,034.30	2,818.59	956.84
Capacity Utilization (%)(2)	40.68	54.61	66.49	46.72
Overall Capsules				
Installed capacity (million) (1)	2,472.48	2,048.16	1,591.20	618.12
Actual production (million)	1,372.04	1,065.79	955.24	407.85
Capacity Utilization (%)(2)	55.49	52.04	60.03	65.98
Overall Ointments				
Installed capacity	22.81	22.81	22.81	5.70

Facility/Dosage forms	As of and for year ended March 31,			As of and for the three months ended June 30,
	2023	2022	2021	2023
(million) (1)				
Actual production (million)	14.42	12.85	17.36	3.79
Capacity Utilization (%)(2)	63.22	56.33	76.11	66.49
Overall Dry Powder Injection				
Installed capacity (million) (1)	60.48	60.48	60.48	15.12
Actual production (million)	44.76	46.73	35.76	10.93
Capacity Utilization (%)(2)	74.01	77.27	59.13	72.29
Overall Dry Syrup				
Installed capacity (million) (1)	53.57	53.57	53.57	13.39
Actual production (million)	28.27	28.51	16.17	8.75
Capacity Utilization (%)(2)	52.77	53.22	30.18	65.35
Overall Liquid Orals				
Installed capacity (million) (1)	70.99	70.99	70.99	17.75
Actual production (million)	61.55	63.82	26.37	14.94
Capacity Utilization (%)(2)	86.70	89.90	37.15	84.17

**As certified by Parashar & Co., Chartered Engineer pursuant to their certificate dated December 14, 2023.*
*** Does not include Sharon for any periods.*

Assumptions:

Following assumptions and estimates has been made by the management and taken into account/ verified by Parashar & Co., Chartered Engineer, while certifying the table above:

1. The installed capacity of the manufacturing facilities has been calculated by using the equipment manufacturer's rated maximum capacity for an installed equipment and adjusting it for the typical achieved capacity across a wide range of actual processes and batch sizes for any particular dosage type in a sequential line setup. Further, downtime between any batches due to product changeover related equipment cleaning, scheduled breaks, and material loading and unloading were taken into account to calculate the installed capacity during the year or period.
2. Industry players use different methodology for installed capacity and capacity utilization in accordance with their business model. The assumptions and estimates taken into account include that each manufacturing facility operates for 300 days in a year in two daily shifts for installed capacity as notional capacity for capacity utilization. This methodology is consistent with industry practice.
3. Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing units as of at the end of the relevant period.
4. In the case of capacity utilization for the period ended on June 30, 2023, the capacity utilization represents the installed capacity for the period ended on June 30, 2023.

See "*Risk Factors - Information relating to the installed manufacturing capacity of our two manufacturing facilities included in this Red Herring Prospectus are based on various assumptions and estimates*." on page 64 of this Red Herring Prospectus.

Raw Materials and Procurement

We purchase APIs and other materials such as, excipients and impurities from third party suppliers domestically. We source most of our API and other materials from a small core of suppliers with reputations for quality products. We also undertake measures such as assessment questionnaires for suppliers of raw materials to assess quality systems. Our suppliers are selected based on quality, price, cost effectiveness, company history, service levels and adequate staff with sufficient knowledge . We do not have any long-term contracts with our third-party suppliers. Prices are negotiated for each purchase order, and we generally have more than one supplier for each raw material. The terms and conditions including the return policy are set forth in the purchase orders. In addition, under certain CDMO agreements, we are obligated to procure raw materials from vendors specified by the customer.

We have an in-house production department that works on identifying new vendor, providing pre-purchase samples and evaluating the material, its suitability and impact on product quality. Based on successful evaluation, the vendor is added to the approved list and the vendor audit planner. We also inspect the suppliers facility to ensure that they have adequate systems, premises, security management, GMP adherence and approval from regulatory authorities.

In addition to India, we also source raw materials from vendors in China and the Netherlands. For further information, see *"Competitive Strengths - Highly efficient operations, including our world class manufacturing facilities and supply chain"* on page 188 of this Red Herring Prospectus.

We outsource packaging of our products including sourcing packaging material through Nugenic Pharma Private Limited, which is owned by our Promoters.

Our APIs and other raw materials are subject to supply disruptions and price volatility caused by various factors such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, changes in government policies and regulatory sanctions. See, "*Risk Factors - Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and adversely affect our business, results of operations and financial condition.*" on page 43 of this Red Herring Prospectus.

Sales and Marketing

We have a dedicated sales and marketing team. As of October 31, 2023, we had a total sales and marketing team of 296 personnel across India. We have a sales and marketing office in Panchkula, Haryana.

CDMO services and products

We market our CDMO services and products on a business-to-business basis. We focus on maintaining our relationships with our top pharmaceutical customers, building our customer base and strengthening our product basket for existing customers. As of October 31, 2023, we had 3 sales and marketing personnel focused on our CDMO business.

We maintain direct contact with majority of our customers which allows us to understand the technical needs and specifications of our customers as well as their future requirements. We also engage senior management in the sales and marketing process to build more strategic relationships with our customers and to enhance customer experience. We aim to ensure that projects of our existing customers are managed by site-based project managers and business managers. These activities can assist the site-based teams in obtaining additional work on existing projects and identifying new projects with existing customers.

We believe that the primary sales and marketing drivers in our CDMO business are positive word of mouth and strong credibility earned over the years with consistent quality and performance.

Domestic branded generics

We market our domestic generic products under our own brand names to end-users through our network of distributors, stockists and pharmacies. Our sales and marketing team focuses on maintaining our relationships with our distributors, building our retail pharmacy base and launching new products. As of October 31, 2023, we had a total sales and marketing team of 287 personnel focused on our domestic branded generics business. We aim at ensuring attracting packaging and also run target-based schemes for our distributors.

We believe that the primary sales and marketing drivers in our domestic branded generics business are target-based incentives offered to our distributors and attractive brand names and packaging.

International and exports

We export branded generic products to pharmaceutical companies. Our focus has been on expanding our country approvals and product registrations but also expanding our customer base and volumes sold to existing customers. As of October 31, 2023, we had a total sales and marketing team of 6 personnel focused on our international business.

We believe that the primary sales and marketing drivers in our international branded generics business are

- Attending international trade fairs and exhibitions;
- Frequent country visits by our marketing team
- Showcasing our manufacturing facilities and
- Marketing our international product dossier and data.

Logistics

Each of our facilities are equipped with a warehouse, enabling smooth functioning of our operations. We also have five depots in major locations across India.

The tables set forth below provides our freight charges for the years and period indicated.

Particulars	Restated Consolidated Financials							
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Freight Charges	6.27	0.17%	15.64	0.22%	39.45	0.47%	7.05	0.34%

Particulars	Pro Forma Condensed Consolidated Financial Information(1)	
	Fiscal 2023	
	₹ million	% of revenue from operations
Freight Charges	58.16	0.56%

(1) *Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.*

We sell our products on various shipping and delivery basis like Free on Board (FOB), Cost Insurance, Freight (CIF) or Cost and Freight (CnF) basis. We may have to pay for transportation costs in relation to the delivery of some of the raw materials and other inputs to our manufacturing facilities. We do not own any vehicles for the transportation of our products and/or raw materials; we therefore rely on third party transportation and logistics providers for delivery of our raw materials and products. However, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers. Disruptions of logistics could impair our ability to procure raw materials and/or deliver our products on time.

Where we are responsible for shipping the products to the customer, either our freight forwarders arrange for the finished products or freight forwarders nominated by the customers , to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders / nominated freight forwarders co-ordinate with the shipping line or airline to file and release the necessary bills of lading or air waybills.

Quality Control, Testing and Certifications

Maintaining high standard of quality in our R&D and manufacturing operations is critical to our growth and success. The quality department of the Company is responsible for ensuring safety, identity, strength, purity, and quality for each product manufactured by effective implementation of pharmaceutical quality system processes, as well as their sequences, linkages and interdependencies. We identify and approve multiple vendors to source our key raw materials, in addition to the suppliers approved by our customers, pursuant to a vendor assessment that involves an examination of the potential vendor's regulatory accreditations, and supply strength in terms of delivering large quantities on a consistent basis. As of October 31, 2023, our quality control department consisted of 127 employees.

Our quality check involves process performance, product quality monitoring system, corrective action and preventive action system, change management system. We seek to identify risks relating to facility and equipment operations condition, in-process controls, attributes related to drug product materials etc. We implement our quality control manual is pharmaceutical development, technology transfer, commercial manufacturing and product discontinuation. We also have audit programs such as vendor audit program, training program, change control program, stability testing program etc.

We have a modern quality control laboratory equipped with gas chromatography, HPLC, FTIR spectrometers and spectrophotometers. We also have a newly equipped control sample storage facility. We also have implemented a laboratory information management system for quality controls which enable us to undertake data analytics and track product level information across the different facilities and teams.

We also undertake process validations to ensure expanded real time monitoring and adjustment of process. It also helps us in statistically evaluating process performance and product variables.

Environment, Health and Safety

We are subject to national, regional and state laws and government regulations in India in relation to safety, health and environmental protection. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our products, including the process of manufacture, storage and distribution 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 strive to manage the potential risks associated by implementing our health and safety policy which is aimed at providing a safe and establish sound work practices in manufacturing operations and equipment selection and maintenance with a focus on continual improvements of processes and products to prevent pollution and accidents. Further, our manufacturing facilities possess effluent treatment processes and minimize any contamination of the surrounding environment or pollution in compliance with applicable law.

We prioritize the health and safety of our employees and undertake several initiatives to promote employee health and quality of life. We have adopted a comprehensive health and safety policy in this regard. 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.

To ensure the health and safety of employees during the ongoing pandemic, additional security and safety measures were implemented. Also, see "*Risk Factors - 66. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*" on page 67 of this Red Herring Prospectus.

Utilities

We consume fuel and power for our operations at our manufacturing facilities, which is sourced through the local state power grid. Additionally, we have also installed generators in our manufacturing facilities to ensure uninterrupted supply of power.

The tables set forth below provides our freight charges the periods indicated.

Particulars	Restated Consolidated Financials							
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
Power & fuel expenses	54.78	1.50%	79.14	1.10%	95.14	1.13%	26.41	1.26%

Particulars	Pro Forma Condensed Consolidated Financial Information[(1)]	
	Fiscal 2023	
	₹ million	% of revenue from operations
Power & fuel expenses	212.12	2.03%

(1) Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

Information Technology

Our IT systems are vital to our business, and we have adopted IT policies to assist us in our operations. 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. We utilize an enterprise resource planning solution, SAP ERP, and we also have Standard operating procedures for maintaining confidentiality of electronic data, maintaining critical equipment, system designs, retrieval of critical data etc.

In addition, we have implemented a quality control laboratory information management system to assist management and safeguarding our laboratory processes that allows for paperless operations and digital information flows.

Information security is one of the key focus areas. We have developed standard operating procedures for data recovery in case of a disaster including regular backups.

For information on the risk to our IT systems, see "*Risk Factors - Failure or disruption of our IT, manufacturing automation systems and/or ERP systems may adversely affect our business, results of operations and financial condition.* " on page 60 of this Red Herring Prospectus.

Insurance

Our operations are subject to risks inherent in the pharmaceutical manufacturing industry, which include defects, liability for product and/or property damage, malfunctions and failures of manufacturing equipment, fire, explosions, loss-in-transit for our products, accidents, personal injury or death, environmental pollution and natural disasters. We maintain insurance coverage that we consider necessary for our business. We maintain an insurance policy that insures us against material damage to buildings, plant and machinery, furniture, fixtures, fittings and stocks. We also maintain a marine sales turnover insurance policy that insures transit of commodities by sea, air, rail, road and courier. We also have a directors and officers liability insurance policy in place.

The insurance cover on assets of our Company amounted to ₹12,494.26 million as of June 30, 2023, covering 125.09% of the total assets of our Company i.e. ₹9,988.21 million (excluding intangible assets, goodwill, right-of-use assets and deferred tax assets) as of June 30, 2023.

For further information, also see "*Risk Factors - Our insurance coverage may not adequately protect us against all losses or the insurance cover may not be available for all the losses depending on the insurance policy, which could adversely affect business, results of operations and financial condition*" on page 59 of this Red Herring Prospectus.

Competition

We compete to provide services to pharmaceutical companies in the CDMO industry. Our competition includes full-service pharmaceutical outsourcing, CDMO companies; contract manufacturers focusing on a limited number of dosage forms; contract manufacturers providing multiple dosage forms; and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity. The key players in the Indian CDMO segment include Acme formulation Private Limited, Akums Drugs and Pharmaceuticals Limited, Synokem Pharmaceuticals Limited, Theon Pharmaceuticals Limited, Tirupati Medicare Limited and Windlas Biotech Limited. (*Source: CRISIL Report, October 2023*). In addition, in Europe and Asia, there are a large number of privately owned, dedicated outsourcing companies that serve only their local or national markets. Also, large pharmaceutical companies have been seeking to divest portions of their manufacturing capacity, and any such divested businesses may increase competition in CDMO industry. We compete primarily based on product portfolio (range of existing product portfolio and novelty of new offerings), security of supply (quality, regulatory compliance and financial stability), service (delivery and manufacturing flexibility) and cost- effective manufacturing.

For our domestic branded generics, we compete with companies in the Indian market based on therapeutic and product categories, and within each category, upon dosage strengths and drug delivery. Many of the pharmaceutical players are adding generic products to their portfolio. Abbott Healthcare Limited, Cipla Limited and Alkem Laboratories Limited are some of the players operating in the Indian generics market (both trade and branded). (*Source: CRISIL Report, October 2023*). Further, in international markets, we compete with local companies, multinational corporations and companies from other emerging markets that are engaged in manufacturing and marketing generic pharmaceuticals. For further information, see "*Industry Overview*" and "*Basis for the Offer Price*" on pages 129 and 116, respectively, of this Red Herring Prospectus.

Human Resources

We place importance on developing our human resources. As of October 31, 2023, we had over 1,560 employees (not including Sharon).

We do not have recognized trade unions at our two manufacturing facilities in Baddi, Himachal Pradesh. We have not experienced any material work stoppages due to labour disputes or cessation of work in the last three fiscal years. We also have a recruitment SOP in place which prescribes our recruitment procedure, joining and induction training process. We assess our employees on parameters such as experience, education, problem solving skills and knowledge.

Our work force is a critical factor in maintaining quality, productivity and safety, which, we believe, strengthens our competitive position. We are committed to providing an attractive working environment for our employees and to provide safe and healthy working conditions.

Our workforce has been impacted by COVID-19, see "*Risk Factors - Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*" on page 67 of this Red Herring Prospectus.

Intellectual Property

We rely on a combination of trademarks, trade secrets, and contractual restrictions to protect our intellectual property. We do not own any patents or copyrights. As of date of Red Herring Prospectus, we had 215 registered trademarks in India and 58 pending trademark applications in our Subsidiaries. We have applied for a trademark for our corporate logo with the Trademark Registry. For further information, see "*Government and Other Approvals*" on page 441 of this Red Herring Prospectus.

Also, many of the formulations used by us in manufacturing products to customer specifications are subject to patents or other intellectual property rights owned by or licensed to the relevant customer. Further, our CDMO agreements with customers that own or are licensed users of patented drugs and formulations include non-disclosure, confidentiality, indemnity and other contractual provisions. We have acquired and developed and continue to acquire and develop knowledge and expertise, or know-how, and trade secrets in the provision of services in our businesses, including know-how and trade secrets related to proprietary technologies and patents, trademarks, know-how and trade secrets related to our contract manufacturing and our generic products. Our know-how and trade secrets in our businesses may not be patentable, however, they are valuable in that they enhance our ability to provide high-quality services and products to our customers. See "*Risk Factors – If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. Further, if our products were found to be infringing on the intellectual property rights of a third-party, we could be required to cease selling the infringing products, causing us to lose future sales revenue from such products and face substantial liabilities for patent infringement.*" on page 55 of this Red Herring Prospectus.

Properties

Offices

Our Registered Office is located at 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India. Our Corporate Office is located at Second Floor, SCO No. 301, Sector 9, Panchkula, Haryana, India. We also have a marketing office located at SCO-302, 1st floor, Sector-9, Panchkula, Haryana, India. As of March 31, 2023, both offices were held under lease. For further information, see "*Risk Factors - We do not own certain of the premises of our manufacturing facilities and administration offices*" on page 61 of this Red Herring Prospectus.

Manufacturing and Distribution Facilities

We have two manufacturing facilities located Baddi, Himachal Pradesh. Unit 1 is leased and Unit 2 is owned. We have also acquired the land where we are planning a new R&D facility in Panchkula, Haryana, India.

Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra.

Corporate Social Responsibilities ("CSR")

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility Committee, which is constituted by three Directors.

Our Corporate Social Responsibility Committee contributed to the following causes:

- Promoting health care, including preventive health care and sanitation;
- Promotion of education;
- Animal welfare;
- Promoting social and economically backward groups; and
- Promoting rural sports.

The tables set forth below provides our CSR expenses for the years and period indicated.

Particulars	Restated Consolidated Financials							
	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses	₹ million	% of total expenses
CSR expenses	2.56	0.07%	7.32	0.10%	14.35	0.17%	1.54	0.07%

Particulars	Pro Forma Condensed Consolidated Financial Information[(1)]	
	Fiscal 2023	
	₹ million	% of revenue from operations
CSR expenses	17.59	0.17%

Derived from the Pro Forma Condensed Consolidated Financial Information of our Company for Fiscal 2023. For assumptions and adjustments, see "Pro Forma Condensed Consolidated Financial Information" on page 331 of this Red Herring Prospectus. Sharon is included in our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023, as if such acquisition was effective on April 1, 2022.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain key laws, guidelines and regulations in India which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter is based on the current provisions of statutes, bills, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. Such information has been obtained from sources available in the public domain. The regulations and their descriptions set out below may not be exhaustive and are only intended to provide general information to prospective investors. Further, they are neither designed nor intended to be a substitute for professional legal advice. For details of the government approvals obtained by our Company, see "Government and Other Approvals" on page 441.

Laws in relation to our Business

Drugs and Cosmetics Act, 1940 ("DC Act") and the Drugs Rules, 1945 ("Drugs Rules")

The DC Act regulates the import, manufacture, distribution and sale of drugs and cosmetics, and prohibits the import, manufacture and sale of certain drugs and cosmetics which are misbranded, adulterated, spurious or harmful. Violation of the various provisions of the DC Act, including those pertaining to the manufacture or import of any drug which is not of standard quality and the failure to keep and maintain such records, registers and other documents as may be prescribed, are punishable with a fine, or imprisonment or both.

The Drugs Rules require any person manufacturing or selling any drug or cosmetic, including for the purposes of examination, testing or analysis, to obtain a license from the Central Licence Approving Authority. Further, the Drugs Rules require every person holding a license to maintain such records, registers and other documents as may be prescribed, which may be subject to inspection by the relevant authorities. The manufacturers, and pursuant to the Drugs and Cosmetics (Amendment) Rules, 2020, the marketers shall be responsible for the quality of the drug as well as the applicable regulatory compliances.

Drugs (Control) Act, 1950 ("Drugs Act")

The Drugs Act controls the sale, supply and distribution of certain drugs notified by the Central Government. The Drugs Act lays down, amongst others, limitations on the maximum quantity of any drug which may be possessed by a dealer or producer, the maximum price at which a drug may be sold, and the maximum quantity which may be sold to any person by a dealer or a producer. Further, the Drugs Act empowers the relevant authorities to prohibit the disposal, or direct the sale, of any specified drug. The Drugs Act prescribes penalties, including fine or imprisonment or both, for the contravention of its provisions.

Drugs (Prices Control) Order, 2013 ("DPCO")

The DPCO prescribes and sets out procedures for the determination of, amongst others, the ceiling price and maximum retail price of scheduled formulations and new drugs available in the domestic market. Pursuant to the DPCO, the Central Government may, in certain conditions, issue directions to the manufacturers of active pharmaceutical ingredients or bulk drugs or formulations to increase the production of, or sell such active pharmaceutical ingredient or bulk drugs, to other manufacturer(s) of formulations, and direct the formulators to sell formulations to institutions, hospitals or any agency. Further, the DPCO requires existing manufacturers of certain drugs to obtain prior approval from the Government in relation to the pricing of new drugs. The DPCO also prescribes penalties for the contravention of its provisions.

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 Narcotics Drugs and Psychotropic Substances Act, 1985 ("NDPS Act")

The NDPS Act controls and regulates certain operations relating to narcotic drugs and psychotropic substances, such as the cultivation, production, manufacture, possession, sale, purchase, transportation, warehousing, consumption, inter-state movement, import into India and transhipment of narcotic drugs and psychotropic substances, except for medical and scientific purposes and in the manner set out therein. The NDPS Act empowers the Central Government to take measures in respect of such drugs, including ensuring the availability of narcotic drugs and psychotropic substances for medical and scientific use. It also regulates controlled substances which can be used in the manufacturing of narcotic drugs and psychotropic substances. Offences under the NDPS Act, or violations of the provisions of the NDPS Act, are punishable by either imprisonment or monetary fines or both.

New Drugs and Clinical Trial Rules, 2019 ("NDCT Rules")

The NDCT Rules lay down guidelines in relation to the use of new drugs and the conducting of clinical trials, including by setting out the procedure for obtaining approval to undertake clinical trials. The NDCT Rules also require manufacturers of a new drug or an investigational new drug to obtain permission from the Central Licencing Authority to conduct clinical trials in the manner set out thereunder. Further, the NDCT Rules require any institution or organisation intending to conduct biomedical and health research to constitute an ethics committee to oversee such research, in accordance with the guidelines issued by the Indian Council of Medical Research in this regard. The NDCT Rules also require that free, informed and written consent be obtained from each study subject in a clinical trial. The NDCT Rules provide for compensation in case of injury or death caused during clinical trials.

National Pharmaceuticals Pricing Policy, 2012 ("Pricing Policy")

The Pricing Policy pertains to the pricing of those essential drugs specified in the National List of Essential Medicines declared by the Ministry of Health and Family Welfare, Government of India, and as modified from time to time, to ensure the availability of such medicines at a reasonable price, while providing sufficient opportunity for innovation and competition to support the growth of the industry. The prices of various drugs are regulated based on their essentiality, and by fixing a ceiling price on drug formulations, below or equal to which manufacturers are required to price their products.

The Poisons Act, 1919 ("Poisons Act")

The Poisons Act enables the state governments to grant licenses for the possession, sale, wholesale or retail and fixing of the fee, if any, of poisons. The Poisons Act also enables state governments to regulate, amongst others, the classes of persons to whom such licenses may be granted, the classes of persons to whom such poison may be sold, and the maximum quantity of poison which may be permitted to be sold to any one person.

The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 ("DMRA")

The DMRA seeks to control the advertisement of drugs, and prohibits the advertisement of remedies that claim to possess magic qualities. The DMRA defines advertisements as including any notice, circular, label, wrapper or other document or announcement. It also prohibits advertisements that misrepresent, make false claims or mislead, and advertisements for drugs for the treatment of certain specified diseases. Violation of provisions of DMRA are punishable by either imprisonment or fine or both.

Food Safety and Standards Act, 2006 ("FSSA")

The FSSA regulates the manufacture, storage, distribution and sale of articles of food, lays down general principles of food safety, and restricts the use of additives, contaminants, antibiotic residues, microbiological elements for food articles. The FSSA prohibits the use of misleading or false information in the packaging or labelling of the food items. Any person who manufactures for sale or stores or sells or distributes articles of food for human consumption which are unsafe is punishable under the FSSA by imprisonment and fines.

Legal Metrology Act, 2009 ("Legal Metrology Act")

The Legal Metrology Act establishes and enforces standards of weights and measures, and regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The

Legal Metrology Act prohibits quoting prices or charges, issuing or exhibiting any price list, invoice, cash memo or other document, publishing any advertisement, or indicating the net quantity of a pre-packaged commodity, otherwise than in accordance with the standard units of weight, measure or numeration. Manufacturers are required to maintain records and registers, and make declarations on pre-packaged commodities, in the manner prescribed under the Legal Metrology Act. The Legal Metrology (Packaged Commodities) Rules, 2011, were introduced under the Legal Metrology Act, and prescribe requirements as to the pre-packing of any commodity for sale, distribution or delivery.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boilers Regulations")

The Boilers Act regulates the possession and use of steam boilers and provides for the safety of life and property from the explosion of steam boilers. It lays down conditions for the registration of boilers and sets out requirements in relation to the inspection of boilers. Further, the Boilers Act provides for penalties for the illegal use of boilers. The Boilers Regulations set out standard requirements with respect to the materials used to manufacture boilers, and the construction, safety and testing of boilers.

Factories Act, 1948 ("Factories Act")

The Factories Act pertains to the regulation of labour in factories. The term 'factory' is defined as any premises where 10 or more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on with the aid of power, or where 20 more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on without the aid of power. The state governments are empowered to make rules requiring the registration or licensing of factories or any class of factories. The Factories Act requires the occupier of the factory to ensure, as far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. The occupier is required to ensure: (i) that the plants and systems of work at the factory are safe and without risks to health; (ii) safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances; (iii) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work, and; (iv) the maintenance of safe working conditions and working environment. The occupier and manager of a factory may be punished with imprisonment or fine for contravention of the provisions of the Factories Act.

The Public Liability Insurance Act, 1991 ("PLI Act") and Public Liability Insurance Rules, 1991 ("PLI Rules")

The primary objective of the PLI Act is to provide public liability insurance for the purpose of providing immediate relief to the persons affected by an accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. The PLI Act imposes a duty on the owner to take out insurance policies before manufacturing, processing, treating, storing, packaging or transporting hazardous substances, for any damage arising out of an accident involving such hazardous substances. Hazardous substances have to be taken the meaning as provided under the Environment Protection Act, 1986, and the list has been further enumerated by the government by way of a notification. The penalty for contravention of the provisions of the PLI Act includes imprisonment or fine or both. Further, the PLI Rules mandate that the owner contributes towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), the Foreign Trade (Regulation) Rules, 1993 ("FTRR") and the Foreign Trade Policy 2015-2020 ("Foreign Trade Policy")

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number ("**IEC**") granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions.

The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license.

The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes.

Customs Act, 1962 ("Customs Act")

The Customs Act empowers the Central Government to prohibit the export or import of goods for reasons including the maintenance of public order, the maintenance of the security of India, the prevention of smuggling and the prevention of shortage of goods. The Customs Act also governs the detection of illegally imported goods, the detection of illegal export of goods, the valuation of imported and exported goods, the determination of rate of duty and tariff, and the refund of export or import duties in certain cases. The Customs Act prescribes the imposition of penalties or the confiscation of goods in specified circumstances, including the improper export of goods, and empowers any authorised officer of customs to arrest any person who has committed a punishable offence under the Customs Act.

Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989 ("MSIHC Rules")

The MSIHC Rules regulate the usage and manufacture of, and dealings in, hazardous chemicals. Any occupier in control of an industrial activity involving the specified hazardous substance is required to identify major accident hazards, and take adequate steps to prevent such accidents and limit their consequences to persons and the environment, and provide persons working on site with training and equipment to ensure their safety. Further, occupiers are required to prepare safety reports on the industrial activities specified under the MSIHC Rules and submit such reports to the concerned authorities prior to undertaking such industrial activities. The MSIHC Rules additionally require that any person importing hazardous chemicals into India is required to provide information including the quantity of chemical being imported and product safety information to the concerned authorities prior to such import.

Shops and establishments legislations in various states

The provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up require such establishments to be registered. The state shops and establishments 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 legislations, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fines or imprisonment for the violation of their provisions.

Environmental Laws

Environment (Protection) Act, 1986 ("EPA") and the Environment Protection Rules, 1986 ("EP Rules")

The EPA provides for the protection and improvement of the environment. The EPA empowers the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. The EPA prohibits any person carrying on any industry, operation or process from discharging, emitting or permitting to be discharged or emitted any environmental pollutant in excess of prescribed standards. Further, it requires persons handling hazardous substances to do so in accordance with such procedure, and in compliance with such safeguards, as may be prescribed.

The EP Rules prescribe the standards for emission or discharge of environmental pollutants from industries, operations or processes, for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of the wholesomeness of water, and envisions the establishment of a central pollution control board and state pollution control boards for this purpose. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the prior consent of the concerned state pollution control board.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act provides for the prevention, control and abatement of air pollution. The Air Act requires any person establishing or operating any industrial plant in an air pollution control area to obtain previous consent from the concerned state pollution control board. Further, it prohibits any person operating any industrial plant in an air pollution control area from causing or permitting to be discharged the emission of any air pollutant in excess of prescribed standards.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Wastes Rules")

The Hazardous Wastes Rules pertain to the management, import, export, treatment, storage and disposal of hazardous and other wastes. The Hazardous Wastes Rules impose on occupiers the responsibility to manage hazardous and other wastes in a safe and environmentally sound manner. Authorisation must be obtained from the concerned state pollution control board by occupiers of any facility undertaking activities including the handling, generation, collection, storage, transport, use, transfer or disposal of hazardous and other wastes.

Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining of ambient air quality standards in respect of noise. Pursuant to the Noise Pollution Rules, different areas / zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area / zone exceed the permitted standards.

Labour Related Legislations

The employment of workers, depending on the nature of the activity, is currently regulated by a wide variety of generally applicable labour legislations, including the Industrial Disputes Act, 1947, the Contract Labour (Regulation and Abolition) Act, 1970, Industrial Employment (Standing Orders) Act, 1946, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employee's Compensation Act, 1923, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, the Equal Remuneration Act, 1976, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Child Labour (Protection Regulation) Act, 1986, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Apprentices Act, 1961.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- Code on Wages, 2019, which regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It 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.

- 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. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

- Code on Social Security, 2020, which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the employees' state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

- Occupational Safety, Health and Working Conditions Code, 2020, amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019, have come into force upon notification by the Ministry of Labour and Employment. The remainder of these codes shall come into force on the day that the Government shall notify for this purpose.

Intellectual Property Laws

Trade Marks Act, 1999 ("Trade Marks Act")

The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trade mark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trade mark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trade marks.

Patents Act, 1970 ("Patents Act")

The Patents Act entitles persons claiming to be the true and first investor of any invention to file an application for a patent with the patent office. A patent granted under the Patents Act confers upon the patentee rights including the exclusive right to prevent third parties from the act of making, selling, using, offering for sale, selling or importing the patented product or using the patented process, as the case may be, without the patentee's consent. The term of a patent under the Patents Act is twenty years from the date of filing an application for the patent. Further, any patent granted for a drug or medicine is subject to the condition that the import of the drug or medicine by the government for its own use or distribution will not amount to infringement of the patent.

Other laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Income Tax Act, 1961, the Income Tax Rules, 1962, and the relevant goods and services tax legislations, the Competition Act, 2002, the Consumer Protection Act, 2019, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, and other applicable statutes promulgated by the relevant Central and State Governments.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated in Mumbai, Maharashtra, as 'Harun Health Care Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated January 3, 2005, issued by the RoC. Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on December 26, 2009, the name of our Company was changed from 'Harun Health Care Private Limited' to 'Innova Captab Private Limited', in order to reflect innovations in the pharmaceutical sector. Consequently, a fresh certificate of incorporation dated February 2, 2010, was issued by the RoC to our Company. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on July 12, 2018, and consequently, the name of our Company was changed to our present name 'Innova Captab Limited', and a fresh certificate of incorporation dated July 26, 2018, was issued by the RoC to our Company.

Change in registered office of our Company

Except as disclosed below, our Company has not changed its registered office since its incorporation.

Date of change	Details of change	Reasons for change
May 16, 2014	Registered office of our Company was changed from 172/177 Tirupati Bhavanrsc-1A, Gorai Road, Gorai-I, Borivali (W), Mumbai, Maharashtra 400 092, India to Shop No. 12, Ground Floor, Platinum, Jawahar Road, Opposite Railway Station, Ghatkopar (E), Mumbai, Maharashtra 400 077, India	Administrative convenience
March 7, 2019	Registered office of our Company was changed from Shop No. 12, Ground Floor, Platinum, Jawahar Road, Opposite Railway Station, Ghatkopar (E), Mumbai, Maharashtra 400 077, India to Office No. 606, Ratan Galaxie – 6th Floor, Plot No. 1, J. N. Road, Mulund (W), Mumbai, Maharashtra 400 080, India	Administrative convenience
October 16, 2023	Registered office of our Company was changed from Office No. 606, Ratan Galaxie – 6th Floor, Plot No. 1, J. N. Road, Mulund (W), Mumbai, Maharashtra 400 080, India to 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India	Administrative convenience

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

(1) To carry on the business of manufacture, buy, sell, import, export, distribute and otherwise deal in all kinds and varieties of cosmetics, health care products, food preservatives and additives, artificial flavourings, artificial dyes and colouring agents, beauty and skin care products, perfumes, colognes, food supplements, health aids and glamour products.

(2) To carry on the business of manufacturers, buyers, sellers, importers, exporters, merchants, distributors, stockists, traders, dealers, researchers and developers in organic products, bulk drugs, pharmaceuticals, drugs, medicines, ayurvedic, allopathic, homeopathic, unani and other pharmaceutical drugs and medicines, injections, surgical and medical equipments, injections, surgical and medical instruments, capsules, lotions, patents and proprietary medicines, common medical preparations basic drugs and medicines, biological and non biological capsules, vitamins and tonic preparations, medical ointments and other related drugs.

The main objects contained in the Memorandum of Association of our Company enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Red Herring Prospectus:

Date of Shareholders' resolution	Nature of amendment
July 12, 2018	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from "Innova Captab Private Limited" to "Innova Captab Limited"
	The title of our Memorandum of Association was amended to effect the applicability of the Companies Act, 2013, with insertion of the phrase "*The Companies Act, 2013*" in the title, substituting the phrase "*The Companies Act, 1956*"
	The heading of clause III(a) of our Memorandum of Association was substituted with the following: *"3rd (a) The objects to be pursued by the company on its incorporation are"*
	Clause III (B) of our Memorandum of Association was altered / modified / substituted to align with the provisions of the Companies Act, 2013
	Clause III (C) of our Memorandum of Association containing other objects, was deleted
	Clause IV of our Memorandum of Association was substituted with the following: *"4th The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."*
March 29, 2021	Clause 3rd (b) of our Memorandum of Association, containing matters necessary in the furtherance of the objects, was amended to replace the existing point no. 14 with the following: *(14) To acquire, and possess the whole or part of the business, assets, property, goodwill, rights and liabilities on any persons, society, association, Partnership firm or company carrying on any business.*
April 4, 2022	Clause 5th of our Memorandum of Association was amended to reflect the change in our authorised share capital from ₹120,000,000 divided into 1,200,000 equity shares of ₹100 each to ₹120,000,000 divided into 12,000,000 Equity Shares of ₹10 each, pursuant to the sub-division of the equity shares of our Company.
	Clause 5th of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹120,000,000 divided into 12,000,000 Equity Shares of ₹10 each to ₹640,000,000 divided into 64,000,000 Equity Shares of ₹10 each.
June 15, 2022	Clause 5th of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹640,000,000 divided into 64,000,000 Equity Shares of ₹10 each to ₹660,000,000 divided into 64,000,000 Equity Shares of ₹10 each and 2,000,000 preference shares of ₹10 each.

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Particulars
2006	Established our first manufacturing plant in Baddi, Himachal Pradesh
2010	Changed the name of our Company from 'Harun Health Care Private Limited' to 'Innova Captab Private Limited'
	Commenced operations at the cephalosporin block of our plant in Baddi, Himachal Pradesh
2013	Crossed ₹500.00 million in total revenue
	Received our first international accreditation in the form of certificate of good manufacturing practices ("**GMP**") for all manufacturing activities of our Company in relation to our cephalosporin products from the Ministry of Medical Services, Republic of Kenya
2015	Incorporated Univentis Medicare Limited through which we undertake our marketing operations
2018	Converted our Company from a private limited company to a public limited company
2019	Crossed ₹3,000.00 million in total revenue
2021	Leased land to establish industrial plant at Samba, Jammu and Kashmir
	Acquired land to build state of art research and development centre in Panchkula, Haryana
	Acquired the assets and liabilities of Innova Partnership on going concern through slump sale
	Acquired Univentis Medicare Limited as a wholly owned subsidiary
2023	Acquisition of Sharon Bio-Medicine Limited through our wholly owned subsidiary Univentis Medicare Limited

Key awards, accreditations or recognitions

The following are the key awards, accreditations and recognitions received by our Company:

Calendar Year	Particulars
2018	Received the company registration certificate for production of cephalosporin products and general products from the Ministry of Health and Population, Republic of Yemen
	Received certificate of foreign pharmaceutical manufacturing company registration from the Ministry of Public Health, Islamic Republic of Afghanistan
2019	Received certificate of compliance to good manufacturing practices for manufacture and packaging of general pharmaceutical formulations from Tanzania Medicines and Medical Devices Authority
	Received certificate of GMP compliance of a manufacturer for manufacturing operations of medicinal products from the Medicines Authority of Malta
2020	Received recognition for our in-house research and development units from the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India
2021	Received GMP certificate for good manufacturing practices for production, packing and quality control of tablets, capsules and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh
	Received GMP certificate for good manufacturing practices in respect of tablets, capsules and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh
	Received the good laboratory practices ("**GLP**") certificate for good laboratory practices for testing of tablets, capsules and external preparations from the Health and Family Welfare Department, Government of Himachal Pradesh
	Received certificate of compliance with GMP guidelines for manufacture of beta lactam (cephalasporin) products from the National Drug Authority, Uganda
	Received certificate of compliance with GMP guidelines for manufacture of beta lactam (cephalasporin) and non-beta lactam products from the National Drug Authority, Uganda
	Received certificate of GMP for production, packing and quality control of cephalasporin and general products from the Health and Family Welfare Department, Government of Himachal Pradesh
	Received certificate of GMP compliance for manufacturing/production and aseptic filling of vials of cephalosporin products from the Food, Medicine and Health Care Administration and Control Authority of Ethiopia
2022	Received GMP certificate for good manufacturing practices in respect of beta lactam and non-beta lactam products from the Health and Family Welfare Department, Government of Himachal Pradesh
	Received GLP certificate for good laboratory practices for testing of beta lactam and non-beta lactam products from the Health and Family Welfare Department, Government of Himachal Pradesh

Launch of key products or services, entry in new geographies or exit from existing markets

For details of launch of key products or services, entry in new geographies or exit from existing markets by our Company, see "– *Major Events and Milestones of our Company*" and "*Our Business*" on pages 221 and 181, respectively.

Capacity/facility creation and location of plants

For details regarding capacity or facility creation and the location of plants, see "– *Major Events and Milestones of our Company*" and "*Our Business*" on pages 221 and 181, respectively.

Significant financial or strategic partners

Our Company does not have any financial or strategic partners as on the date of this Red Herring Prospectus.

Time or cost overruns

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured, nor have any such loans been converted into Equity Shares as on date of this Red Herring Prospectus.

Our holding company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Red Herring Prospectus, our Company has two direct Subsidiaries and one step-down Subsidiary.

Set forth hereunder are the details of our direct Subsidiaries:

1. Univentis Medicare Limited ("UML")

UML was incorporated as a public limited company on July 3, 2015, under the Companies Act, 2013, with the Registrar of Companies, Himachal Pradesh, and bears the corporate identification number U24232MH2015PLC402722. Its registered office is situated at Plot No. L6, MIDC Road, Taloja, Navi Mumbai, Maharashtra 410 208, India. Its corporate office is situated at First Floor, SCO No. 301, Sector 9, Panchkula, Haryana 134 109, India.

UML is currently engaged in the business of marketing and sale of finished pharmaceutical products.

The authorised share capital of UML is ₹5,000,000 divided into 500,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of UML is ₹1,500,000 divided into 150,000 equity shares of ₹10 each.

The shareholding pattern of UML as on the date of this Red Herring Prospectus is as follows:

Name of the shareholder	**Number of equity shares**	**Percentage of the issued and paid-up share capital (%)**
Innova Captab Limited	149,994	100.00
Manoj Kumar Lohariwala*	1	*Negligible*
Vinay Kumar Lohariwala*	1	*Negligible*
Vandana Lohariwala*	1	*Negligible*
Chhavi Lohariwala*	1	*Negligible*
Gian Parkash Aggarwal*	1	*Negligible*
Archit Aggarwal*	1	*Negligible*
Total	**150,000**	**100.00**

* *As a nominee of our Company.*

Brief financial highlights of UML for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out below.

(*₹ in million*)

Particulars	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Reserves (excluding revaluation reserve)	524.12	418.94	298.84
Sales	1783.32	1687.77	1579.49
Profit after tax	103.62	119.73	128.92
Earnings per share	690.78	798.20	859.48
Diluted earnings per share	690.78	798.20	859.48
Net asset value	524.12	420.44	300.34

There are no accumulated profits or losses of UML not accounted for by our Company.

2. Univentis Foundation

Univentis Foundation was set up as a trust through a trust deed dated June 14, 2021, and provisionally registered on December 31, 2021. Its settlors are our Company and UML, and its trustees are Manoj Kumar Lohariwala and Vinay Kumar Lohariwala. Its registered office is situated at House No 227, Sector 6, Panchkula, Haryana 134 109.

Univentis Foundation was set up to carry out the corporate social responsibility activities of our Company and UML, including towards relief for the poor, education, and medical relief.

Brief financial highlights of the Univentis Foundation for the financial years ended March 31, 2023 and March 31, 2022 are set out below.

(*in ₹*)

Particulars	Fiscal 2023	Fiscal 2022
Reserves (excluding revaluation reserve)	687,390	3,518
Sales	NA	NA
Profit after tax	NA	NA
Earnings per share	NA	NA
Diluted earnings per share	NA	NA
Net asset value	687,390	3,518

There are no accumulated profits or losses of Univentis Foundation not accounted for by our Company.

Set forth hereunder are the details of our step-down Subsidiary:

1. Sharon Bio-Medicine Limited ("Sharon")

Sharon was originally incorporated as Sharon Synthochem Private Limited, a private limited company, on June 19, 1989, under the Companies Act, 1956, with the Registrar of Companies, Maharashtra. Subsequently, the name of the company was changed to Sharon Pharma Chem Private Limited with a fresh certificate of incorporation being issued on September 13, 1995 by the Registrar of Companies, Maharashtra, Bombay. Thereafter, the company was converted to a public limited company and a certificate of change of name was consequently issued by the Registrar of Companies, Maharashtra, Bombay on October 5, 1995. Subsequently, the name of the company was further changed to Sharon Bio-Medicine Limited with a fresh certificate of incorporation being issued on August 28, 2001 by the Registrar of Companies, Maharashtra at Mumbai.

The corporate identification number of Sharon is L24110MH1989PLC052251.

Its registered office is situated at W-34 34/1 MIDC Taloja, Raigad, Maharashtra 410 208, India. Its corporate office is situated at 601, Proxima, Plot No. 19, Sector 30 A, Vashi, Navi Mumbai, Maharashtra 400 705, India.

Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients as well as finished dosages.

The authorised share capital of Sharon is ₹350,000,000 divided into 175,000,000 equity shares of ₹2 each. The issued, subscribed and paid-up equity share capital of Sharon is ₹47,952 divided into 23,976 equity shares of ₹2 each.

The shareholding pattern of Sharon as on the date of this Red Herring Prospectus is as follows:

* *As a nominee of our UML.*

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Univentis Medicare Limited	23,970	100.00
Manoj Kumar Lohariwala*	1	*Negligible*
Vinay Kumar Lohariwala*	1	*Negligible*
Vandana Lohariwala*	1	*Negligible*
Chhavi Lohariwala*	1	*Negligible*
Gian Parkash Aggarwal*	1	*Negligible*
Archit Aggarwal*	1	*Negligible*
Total	**23,976**	**100.00**

Brief financial highlights of Sharon for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 are set out below.

(*₹ in million*)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Reserves (excluding revaluation reserve)	(6,418.27)	(6,515.37)	(6,707.85)
Sales	1,922.16	1,883.91	1,728.62
Profit after tax	93.32	176.75	140.47
Earnings per share	16.21	30.71	24.40
Diluted earnings per share	16.21	30.71	24.40
Net asset value	(6,000.18)	(6,092.20)	(6,254.69)

There are no accumulated profits or losses of Sharon not accounted for by UML, since its acquisition by UML.

Business interests in our Company

Other than as mentioned in this section, and in "*Other Financial Information – Related Party Transactions*" and "*Our Business*" on pages 354 and 181, respectively, our Subsidiaries have no business interests in our Company.

Our associates

As on the date of this Red Herring Prospectus, our Company does not have any associates.

Our joint ventures

As on the date of this Red Herring Prospectus, our Company has no joint ventures.

Common pursuits

Except for Sharon, none of our Subsidiaries are engaged in business similar to the business of our Company. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise. Further, our Subsidiary, UML, is engaged in the marketing and sale of products manufactured by our Company.

For further details, see "*Other Financial Information – Related Party Transactions*" on page 354.

Confirmations

Other than Sharon, which is currently in the process of delisting its shares from the Stock Exchanges, none of our Subsidiaries are listed on any stock exchange in India or abroad. Also see "*- Details regarding material acquisition or divestment of business or undertakings in the last 10 years - Acquisition of Sharon Bio-Medicine Limited by our Subsidiary Univentis Medicare Limited*" on page 226.

Further, other than Sharon which has been suspended from trading on the Stock Exchanges, the securities of our Subsidiaries have not been refused listing by any stock exchange in India or abroad, nor have our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

Sharon was listed on the Stock Exchanges and was suspended from trading on the BSE pursuant to a letter dated March 19, 2019 from BSE, and on the NSE pursuant to a letter dated March 25, 2019 from NSE. This was on account of a reduction of share capital undertaken by Sharon as per its CIRP resolution plan approved at the time by the NCLT. For further details, see "*Risk Factors - Our Subsidiary Sharon is currently suspended from trading in the Stock Exchanges. Further, Sharon is yet to receive approval to delist its shares from the Stock Exchanges as part of the corporate insolvency resolution plan.*" on page 56.

Details regarding material acquisition or divestment of business or undertakings in the last 10 years

Except as disclosed below, there have been no material acquisitions or divestments of business or undertakings by our Company in the last 10 years:

Acquisition of the assets and liabilities of Innova Captab, a partnership firm (the "Innova Partnership") pursuant to the 'Agreement to Sell Business' dated March 31, 2021, entered into between our Company and Innova Partnership

Innova Partnership was registered on May 29, 2006 as a partnership firm under the Indian Partnership Act, 1932 by Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Gian Parkash Aggarwal.

Our Company entered into an 'Agreement to Sell Business' dated March 31, 2021, with Innova Partnership, pursuant to which our Company acquired the assets and liabilities of the Innova Partnership, through a slump sale on a going concern basis, along with transfer of employees on continuity basis. Our Company paid an advance amount of ₹50.00 million towards consideration for such slump sale on June 30, 2021. Thereafter, a balance consideration of ₹492.50 million was paid by our Company in tranches in Fiscal 2022. Consequently, the total consideration paid for acquiring the assets and liabilities of the Innova Partnership was ₹542.50 million.

Acquisition of Univentis Medicare Limited ("UML") pursuant to the share purchase agreement dated December 31, 2021, entered into between our Company, Manoj Kumar Lohariwala, Vinay Kumar Lohariwala, Chhavi Lohariwala, Vandana Lohariwala, Sita Devi Lohariwala, Rohit Lohariwala, and Vandana Gohlyan (collectively referred to as the "UML Shareholders") and Univentis Medicare Limited

Our Company entered into a share purchase agreement dated December 31, 2021, with UML and the UML Shareholders, pursuant to which our Company acquired 150,000 equity shares of face value of ₹10 each of UML comprising 100% of the issued, subscribed and paid-up share capital of UML, on a fully diluted basis, from the UML Shareholders for a total consideration of ₹600.00 million. Pursuant to this transaction, UML became a wholly owned subsidiary of our Company with effect from December 31, 2021.

Acquisition of Sharon Bio-Medicine Limited by our Subsidiary Univentis Medicare Limited

Our Company submitted a resolution plan dated August 22, 2022 (as modified on October 6, 2022) ("**Resolution Plan**") in relation to the CIRP involving Sharon. The Resolution Plan was approved by the committee of creditors on November 16, 2022 by a majority of 79.28% and subsequently an application for approval of the Resolution Plan was filed by the resolution professional with the NCLT. The Resolution Plan was approved by the NCLT pursuant to its order dated May 17, 2023 ("**NCLT Order**") and implementation of the Resolution Plan commenced subsequently. In accordance with the terms of the Resolution Plan approved by the NCLT, our Subsidiary UML infused ₹1,954.00 million into Sharon on June 26, 2023. The implementation of the plan was completed on June 30, 2023, the closing date, as per the approved Resolution Plan and subsequently, the control and sole ownership over Sharon was established pursuant to which Sharon became a wholly owned subsidiary of UML as of June 30, 2023.

Further, as part of the NCLT Order, Sharon was directed to delist its shares from the Stock Exchanges in accordance with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("**Delisting Regulations**"). Pursuant to this, while an application dated June 6, 2023 was filed by Sharon to delist its shares, the final approval from the Stock Exchanges is awaited.

Furthermore, following the acquisition of Sharon by UML, Sharon was proposed to be merged into UML. However, given that the NCLT Order did not record the fact of such merger, the monitoring committee of Sharon (as constituted pursuant to the Resolution Plan) filed an application dated June 16, 2023 before the NCLT requesting for a rectification of such NCLT Order and clarification therein to specifically mention the fact of the proposed merger of Sharon into UML. However, pursuant to its order dated October 16, 2023, the NCLT disallowed the request to specifically record the fact of such merger.

Shareholders' agreements

There are no subsisting shareholder's agreements which our Company is aware of, as on the date of this Red Herring Prospectus. However, our Company has entered into two share subscription agreements the details of which have been set out hereunder.

Securities subscription agreement dated July 13, 2022, entered into by our Company with UTI Multi Opportunities Fund I ("Investor 1"), UTI Structured Debt Opportunities Fund II ("Investor 2", and together with the Investor 1, the "Investors") and our Promoters Manoj Kumar Lohariwala and Vinay Kumar Lohariwala ("UTI SSA")

Pursuant to the UTI SSA, our Company had issued and allotted 1,412,430 CCPS to the Investors on a private placement basis for cash at a price of ₹354.00 per CCPS (including a premium of ₹344.00) aggregating to ₹500.00 million, on July 19, 2022. Thereafter, on December 1, 2023, such 1,412,430 CCPS, have been converted into Equity Shares in the ratio of one Equity Shares for every CCPS held, aggregating to a total of 1,412,430 Equity Shares.

Pursuant to an amendment letter dated December 1, 2023 ("**Amendment to UTI SSA**"), the UTI SSA was amended in order to, inter alia, account for conversion of the outstanding CCPS subject to certain revised terms keeping in mind the proposed Offer and subject to any transfers as required. The Amendment to UTI SSA further provided that in the event the shares of the Company are not listed on a recognized stock exchange in India by January 3, 2024 or such other period as may be mutually agreed by the Company and the Investors in writing, the Company would be obligated to buy back the CCPS and/or the Equity Shares so converted, at its own cost, in accordance with applicable law at a price which shall not be less than the price computed in accordance with the UTI SSA, within 60 days of the receipt of the notice to buy back such shares being delivered by the Investors.

In accordance with the terms of the UTI SSA read with Amendment to UTI SSA, upon consummation of the Offer (i.e., date on which Equity Shares are allotted to public shareholders pursuant to the Offer), the UTI SSA and the obligations of our Company and the Promoters under the UTI SSA shall automatically terminate without any further action from any party, except certain customary continuing provisions such as governing law and dispute resolution, confidentiality, and indemnities, among others, which shall survive termination.

Share subscription agreement dated December 1, 2023, entered into by our Company with 360 One Special Opportunities Fund – Series 9 ("Investor 1"), 360 One Special Opportunities Fund – Series 10 ("Investor 2", and together with the Investor 1, the "Investors") and our Promoters Manoj Kumar Lohariwala and Vinay Kumar Lohariwala ("360 One SSA")

Pursuant to the 360 One SSA, our Company issued and allotted 669,642 Equity Shares with 334,821 Equity Shares allotted each to 360 One Special Opportunities Fund - Series 9 and 360 One Special Opportunities Fund - Series 10, for cash at a price of ₹448.00 per Equity Share (including a premium of ₹438.00) aggregating to ₹300.00 million on December 3, 2023.

In accordance with terms of the 360 One SSA, upon listing of the Equity Shares on the Stock Exchanges, the 360 One SSA shall be terminated, except certain customary continuing provisions such as governing law and jurisdiction, confidentiality, and indemnities, among others, which shall survive termination.

Further, there are no special rights available to any of our Promoters or Shareholders under our Articles of Association. Furthermore, none of the special rights available to our Promoters or Shareholders, if any, shall survive post listing of the Equity Shares of our Company on the Stock Exchanges.

Details regarding mergers or amalgamation in the last 10 years

Our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Red Herring Prospectus.

Details regarding revaluation of assets in the last 10 years

Our Company has not revalued its assets in the 10 years preceding the date of this Red Herring Prospectus.

Agreements with Key Managerial Personnel, Senior Management, Director, Promoter or any other employee in relation to compensation or profit sharing

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

Guarantees given by our Promoter Selling Shareholders

Other than as disclosed below, as on the date of this Red Herring Prospectus, the Promoter Selling Shareholders have not given any guarantees to third parties:

S. No.	Guarantee issued by	Borrower	Guarantee issued in favour of	Guarantee amount (in ₹ million)	Type of facility
1.	Manoj Kumar Lohariwala	Company	State Bank of India	2,050.00	Cash credit / term loan / letter of credit / bank guarantee
2.	Manoj Kumar Lohariwala	Company	Yes Bank Limited	800.00	Cash credit / letter of credit / bank guarantee
3.	Manoj Kumar Lohariwala	Company	The Hong Kong and Shanghai Banking Corporation	300.00	Cash credit / term loan / letter of credit / bank guarantee
4.	Manoj Kumar Lohariwala	Nugenic Pharma Private Limited*	Yes Bank Limited	252.00	Cash credit / term loan / letter of credit / bank guarantee
5.	Manoj Kumar Lohariwala	UML	HDFC Bank Limited	2,100.00	Cash credit / term loan / letter of credit / bank guarantee
6.	Vinay Kumar Lohariwala	Company	State Bank of India	2,050.00	Cash credit / term loan / letter of credit / bank guarantee
7.	Vinay Kumar Lohariwala	Company	Yes Bank Limited	800.00	Cash credit / letter of credit / bank guarantee
8.	Vinay Kumar Lohariwala	Company	The Hong Kong and Shanghai Banking Corporation	300.00	Cash credit / term loan / letter of credit / bank guarantee
9.	Vinay Kumar Lohariwala	Nugenic Pharma Private Limited*	Yes Bank Limited	252.00	Cash credit / term loan / letter of credit / bank guarantee
10.	Vinay Kumar Lohariwala	UML	HDFC Bank Limited	2,100.00	Cash credit / term loan / letter of credit / bank guarantee

** Group Company of our Company*

The abovementioned guarantees have been issued in connection with loans availed by our Company, our Subsidiary, UML and our Group Company, Nugenic Pharma Private Limited. Pursuant to the terms of the guarantees, the obligations of Manoj Kumar Lohariwala and Vinay Kumar Lohariwala include repayment of the guaranteed sum in case of default by the respective borrowers. The financial implications in case of default by the borrower are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is to be repaid by the respective borrower. Any default or failure by our Company or the relevant borrower entity to repay the loans in a timely manner, or at all, could trigger repayment obligations on the part of Manoj Kumar Lohariwala and Vinay Kumar Lohariwala. For details see "*Risk Factors – Our Promoters have provided guarantees for loans availed by our Company, UML and Nugenic Pharma Private Limited (our group company), and in the event these guarantees are enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.*" and "*Financial Indebtedness*" on pages 64 and 422, respectively.

Other agreements

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business. Additionally, our Company is not aware of any other *inter se* agreements or arrangements, deeds of assignment, acquisition agreements or other agreements of similar nature, and no clauses or covenants which are material, and which need to be disclosed or which are, in each case, adverse/ pre-judicial to the interest of minority/ public shareholders.

OUR MANAGEMENT

Board of Directors

The Articles of Association of our Company require that our Board shall comprise not less than three Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting.

As on the date of this Red Herring Prospectus, we have eight Directors on our Board, of whom four are Non-Executive Independent Directors including one woman Director. The Chairman of our Board, Manoj Kumar Lohariwala, is an Executive Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Manoj Kumar Lohariwala *Designation*: Chairman and Whole-time Director *Date of birth*: May 21, 1972 *Address*: 707, Sector-6, Panchkula, Haryana 134 109, India *Occupation*: Business *Current term*: For a period of five years with effect from March 18, 2022, and liable to retire by rotation *Period of directorship*: Since March 18, 2022 *DIN*: 00144656	51	*Indian Companies:* 1. Innoventis Medicare Limited 2. Nugenic Pharma Private Limited 3. Univentis Medicare Limited *Foreign Companies:* Nil.
Vinay Kumar Lohariwala *Designation*: Managing Director *Date of birth*: February 26, 1976 *Address*: 227, Sector 6, Panchkula, Haryana 134 109, India *Occupation*: Business *Current term*: For a period of five years with effect from March 18, 2022, and liable to retire by rotation *Period of directorship*: Since March 18, 2022 *DIN*: 00144700	47	*Indian Companies:* 1. Innoventis Medicare Limited 2. Nugenic Pharma Private Limited 3. Univentis Medicare Limited *Foreign Companies:* Nil.
Jayant Vasudeo Rao *Designation*: Whole-time Director *Date of birth*: August 21, 1964	59	*Indian Companies:* 1. Sharon Bio-Medicine Limited *Foreign Companies:*

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Address: Plot No. 146, Phase 2, District – Solan, Nalagarh, Himachal Pradesh 174 101, India *Occupation*: Service *Current term*: For a period of five years with effect from February 27, 2023, and liable to retire by rotation *Period of directorship*: Since February 28, 2020 *DIN*: 03627850		Nil.
Archit Aggarwal *Designation*: Non-Executive Director *Date of birth*: October 5, 1998 *Address*: E-873, Saraswati Vihar Pitampura, North West Delhi, Delhi 110 034, India *Occupation*: Business *Current term*: Liable to retire by rotation *Period of directorship*: Since April 1, 2022 *DIN*: 08127356	25	*Indian Companies:* 1. Aren Capsules Private Limited 2. DMS Electronics Private Limited 3. DMS Technologies Private Limited 4. Innoventis Medicare Limited 5. Jai Bhawani Circuits Private Limited 6. Signum Electro Private Limited 7. Signum Electroflex Private Limited *Foreign Companies:* Nil.
Sudhir Kumar Bassi *Designation*: Non-Executive Independent Director *Date of birth*: August 6, 1969 *Address*: A1304 Oberoi Exquisite, Aba Karmarkar Marg, Mumbai, Maharashtra 400 063, India *Occupation*: Service *Current term*: For a period of five years with effect from April 1, 2022, and not liable to retire by rotation *Period of directorship*: Since April 1, 2022 *DIN*: 07819617	54	*Indian Companies:* Nil. *Foreign Companies:* Nil.
Shirish Gundopant Belapure *Designation*: Non-Executive Independent Director *Date of birth*: July 19, 1953	70	*Indian Companies:* 1. Albert David Limited 2. Jubilant Pharmova Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Address: 3, Amramanjari, Gala Gymkhana Road, Opp. Chitvan Plots, near Vasant Bahar Society, Daskroi, Bopal, Ahmedabad, Gujarat 380 058, India *Occupation*: Self employed *Current term*: For a period of five years with effect from April 1, 2022, and not liable to retire by rotation *Period of directorship*: Since April 1, 2022 *DIN*: 02219458		3. Natural Capsules Limited 4. Uniza Lifecare Private Limited *Foreign Companies:* Nil.
Priyanka Dixit Sibal *Designation*: Non-Executive Independent Director *Date of birth*: July 9, 1982 *Address*: Flat No 101, First Floor, Alaknanda Co-op Group Housing Society Limited, Plot GH 45, Sector 56, Gurgaon, Haryana 122 001, India *Occupation*: Service *Current term*: For a period of five years with effect from April 1, 2022, and not liable to retire by rotation *Period of directorship*: Since April 1, 2022 *DIN*: 06578720	41	*Indian Companies:* 1. Jivfin Ventures Private Limited 2. Zuron Fin-Tech Private Limited *Foreign Companies:* Nil.
Mahender Korthiwada *Designation*: Non-Executive Independent Director *Date of birth*: February 11, 1963 *Address*: A/504, Carona Dosti Imperia, Ghodbandar Road, Manpada, Thane, Mumbai, Maharashtra 400 610 India *Occupation*: Professional *Current term*: For a period of five years with effect from April 1, 2022, and not liable to retire by rotation *Period of directorship*: Since April 1, 2022 *DIN*: 09558992	60	*Indian Companies:* 1. Sharon Bio-Medicine Limited 2. Univentis Medicare Limited *Foreign Companies:* Nil.

Brief profiles of our Directors

Manoj Kumar Lohariwala is the Chairman and Whole-time Director on the Board of our Company. He holds a bachelor's degree in commerce from Mohta College, Sadulpur, Maharshi Dayanand Saraswati University, Ajmer, Rajasthan. He has approximately 26 years of experience in the field of manufacturing and marketing of pharmaceutical products. Before being associated with our Company, he served as the vice-president - marketing with Pharmatech Health Care.

Vinay Kumar Lohariwala is the Managing Director on the Board of our Company. He holds a bachelor's degree in engineering (mechanical) from Engineering College, Kota, University of Rajasthan, Jaipur, Rajasthan. He has approximately 21 years of experience in the field of manufacturing and marketing of pharmaceutical products. Before being associated with our Company, he served as the vice-president - manufacturing with Pharmatech Health Care.

Jayant Vasudeo Rao is a Whole-time Director on the Board of our Company. He holds a bachelor's degree in science (chemistry) from the Arts, Science and Commerce College, Panvel, University of Bombay, Maharashtra. He has approximately 18 years of experience in the field of production management for pharmaceutical formulations. Before being associated with our Company, he was associated with Ebers Pharmaceuticals Limited, Prophyla Biologicals Private Limited and Lexicon Biotech (India) Limited, and served as production head with Scott-Edil Pharmacia Limited and general manager (production and planning) with Brooks Laboratories Limited.

Archit Aggarwal is a Non-Executive Director on the Board of our Company. He holds a bachelor's degree in business administration from Swiss Business School, Switzerland. He has over three years of experience in marketing and manufacturing of jewellery. He currently serves as a manager with Jai Bhawani Industries.

Shirish Gundopant Belapure is a Non-Executive Independent Director on the Board of our Company. He holds a bachelor's degree in pharmacy from the Shivaji University, Kolhapur, Maharashtra and a master's degree in pharmacy (pharmacognosy) from Nagpur University, Maharashtra. He has also completed a long-term diploma course in business management from the Nagpur Management Association, Maharashtra. He has approximately 26 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the managing director with Zydus Hospira Oncology Private Limited, and as the president – manufacturing (formulations) with Zydus Lifesciences Limited, and was also associated with The Fairdeal Corporation (Private) Limited, Griffon Laboratoires Private Limited and Cyanamid India Limited.

Sudhir Kumar Bassi is a Non-Executive Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from Multani Mal Modi College, Patiala, Punjabi University, Punjab and a master's degree in business administration (finance) from Punjabi University, Punjab. He has approximately 31 years of experience in the field of investment banking and capital markets. He currently works as an executive director with Khaitan & Co. In the past, he has served as the managing director (investment banking) with Morgan Stanley India Company Private Limited, and the executive director (mergers and acquisitions) with JM Morgan Stanley Private Limited. He is also a member of the Research Advisory Committee of SEBI, Primary Markets Advisory Committee of SEBI, and the Municipal Bond Development Committee of SEBI.

Priyanka Dixit Sibal is a Non-Executive Independent Director on the Board of our Company. Priyanka holds a bachelor's degree in law and social legal sciences from ILS Law College, University of Pune, Maharashtra and is a member of the Bar Council of Maharashtra and Goa. Priyanka has approximately 11 years of experience in corporate commercial law and mergers and acquisitions. Before being associated with our Company, Priyanka worked with law firms namely Trilegal and Cyril Amarchand Mangaldas. Priyanka also worked as general counsel and chief legal officer of Agarsha Investment Manager Private Limited, which operates under the brand name 'Lumis', an alternative investment platform, based in India and overseas and currently, she is associated with Sirion Labs Private Limited as senior associate general counsel.

Mahender Korthiwada is a Non-Executive Independent Director on the Board of our Company. He holds a bachelor's degree in pharmacy from J.N. Medical College, Belgaum, Karnatak University, Dharwad, Karnataka. He has approximately 29 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the director – special projects with Abbott Healthcare Private Limited and as general manager – generics and institutionals with Natco Pharma Limited.

Details of directorship in companies suspended or delisted

Except as disclosed below, none of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Red Herring Prospectus, during the term of their directorship in such company.

Name of the Director	Name of the company	Name of the stock exchange	Date of suspension	Reasons for suspension	Date of revocation of suspension	Term (along with relevant dates) of Director(s) in the above company
Jayant Vasudeo Rao	Sharon Bio-Medicine Limited	NSE and BSE	Pursuant to letter dated March 25, 2019 from NSE and letter dated March 19, 2019 from BSE	Reduction of share capital as per the resolution plan approved by honorable NCLT Mumbai.	Not applicable	Appointed on June 17, 2023
Mahender Korthiwada	Sharon Bio-Medicine Limited	NSE and BSE	Pursuant to letter dated March 25, 2019 from NSE and letter dated March 19, 2019 from BSE	Reduction of share capital as per the resolution plan approved by honorable NCLT Mumbai.	Not applicable	Appointed on November 29, 2023

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Relationships between our Directors, Key Managerial Personnel and Senior Management

Except for Vinay Kumar Lohariwala and Manoj Kumar Lohariwala, who are brothers, none of our Directors are related to each other or to any of our Key Managerial Personnel or our Senior Management.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed on our Board pursuant to any arrangement 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.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution of our Shareholders dated June 24, 2022, our Board is authorised to borrow up to an amount of ₹8,000 million (including all interest, costs, charges, expenses, remuneration payable to the trustees and all other monies payable by our Company), and create mortgages, charges or hypothecation on all or any of the movable and immovable properties of our Company, as well as the whole or substantially the whole of the undertaking of our Company in favour of banks, financial institutions, machinery suppliers, and other lenders in order to secure such borrowings.

Terms of appointment of our Directors

a) **Terms of employment of our Executive Directors**

Manoj Kumar Lohariwala, Chairman and Whole-time Director

Manoj Kumar Lohariwala was appointed as the Chairman and Whole-time Director of our Company pursuant to the resolution passed by our Board on March 14, 2022 and our Shareholders on March 16, 2022, for a period of five years with effect from March 18, 2022. While the resolution of our Board dated March 14, 2022 and our Shareholders dated March 16, 2022 also approved a remuneration of ₹4.80 million payable to Manoj Kumar Lohariwala, our Board further approved a resolution dated August 12, 2023 to revise the remuneration payable to Manoj Kumar Lohariwala without any change to the other terms of his employment.

The details of the remuneration that Manoj Kumar Lohariwala is entitled to, and the other terms of his employment are enumerated below:

- Salary of ₹7.20 million per annum inclusive of all benefits and perquisites; and
- For the purposes of gratuity, provident fund, superannuation and other applicable statutory benefits, if any, the service of Manoj Kumar Lohariwala will be considered as continuous service with our Company from the date of his joining our Company.

The overall remuneration payable in any financial year shall not exceed 5% of the net profit of our Company calculated in accordance with Section 198 of the Companies Act.

Vinay Kumar Lohariwala, Managing Director

Vinay Kumar Lohariwala was appointed as the Managing Director of our Company pursuant to the resolution passed by our Board on March 14, 2022 and our Shareholders on March 16, 2022, for a period of five years with effect from March 18, 2022. While the resolution of our Board dated March 14, 2022 and our Shareholders dated March 16, 2022 also approved a remuneration of ₹4.80 million payable to Vinay Kumar Lohariwala, our Board further approved a resolution dated August 12, 2023 to revise the remuneration payable to Vinay Kumar Lohariwala without any change to the other terms of his employment.

The details of the remuneration that Vinay Kumar Lohariwala is entitled to, and the other terms of his employment are enumerated below:

- Salary of ₹7.20 million per annum inclusive of all benefits and perquisites; and
- For the purposes of gratuity, provident fund, superannuation and other applicable statutory benefits, if any, the service of Vinay Kumar Lohariwala will be considered as continuous service with our Company from the date of his joining our Company.

The overall remuneration payable in any financial year shall not exceed 5% of the net profit of our Company calculated in accordance with Section 198 of the Companies Act.

Jayant Vasudeo Rao, Whole-time Director

Jayant Vasudeo Rao was appointed as the Whole-time Director of our Company pursuant to the resolution passed by our Board on February 28, 2020 and our Shareholders on March 9, 2020, for a period of three years with effect from February 28, 2020. While the resolution of our Board dated February 28, 2020 and our Shareholders dated March 9, 2020 also approved a remuneration of ₹1.20 million payable to Jayant Vasudeo Rao, our Board further approved a resolution dated August 12, 2023 to revise the remuneration payable to Jayant Vasudeo Rao without any change to the other terms of his employment.

The details of the remuneration that Jayant Vasudeo Rao is entitled to and the other terms of his employment are enumerated below:

- Salary of ₹1.62 million per annum; and
- Reimbursement of travel, hotel and other incidental expenses incurred in the performance of his roles and duties.

b) **Sitting fees and commission to Non-Executive Directors and Non-Executive Independent Directors**

Pursuant to a resolution of our Board dated April 1, 2022, our Non-Executive Directors are entitled to receive sitting fees of ₹0.05 million and ₹0.04 million for attending each meeting of our Board and the committees constituted of the Board, respectively. Further, our Non-Executive Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Pursuant to a resolution of our Board dated April 1, 2022, our Non-Executive Independent Directors are entitled to receive sitting fees of ₹0.05 million and ₹0.04 million for attending each meeting of our Board and the committees constituted of the Board respectively. Further, our Non-Executive Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Except as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a Director, Whole-time Director, or manager in the two years preceding the date of this Red Herring Prospectus.

Payments or benefits to our Directors

a) **Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors for the Fiscal 2023:

Sr. No.	Name of the Executive Director	Remuneration for Fiscal 2023 (in ₹ million)
1.	Manoj Kumar Lohariwala	4.80
2.	Vinay Kumar Lohariwala	4.80
3.	Jayant Vasudeo Rao	1.47

b) **Non-Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Non-Executive Directors or our Non-Executive Independent Directors for the Fiscal 2023:

Sr. No.	Name of the Director	Designation of Director	Remuneration for Fiscal 2023 (in ₹ million)
1.	Archit Aggarwal	Non-Executive Director	Nil
2.	Sudhir Kumar Bassi	Non-Executive Independent Director	0.84
3.	Shirish Gundopant Belapure	Non-Executive Independent Director	0.47
4.	Priyanka Dixit Sibal	Non-Executive Independent Director	0.43
5.	Mahender Korthiwada	Non-Executive Independent Director	0.28

Remuneration paid or payable to our Directors by our Subsidiaries or associates:

No remuneration has been paid to our Directors by our Subsidiaries in Fiscal 2023. Further, we do not have any associates.

Contingent and deferred compensation payable to the Directors

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre-Offer paid up share capital (%)	Percentage of the post-Offer paid up share capital (%)*
Manoj Kumar Lohariwala	19,036,000	38.01	[●]
Vinay Kumar Lohariwala	14,436,000	28.82	[●]
Archit Aggarwal	4,000	0.01	[●]

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

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company.

Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Jayant Vasudeo Rao may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Other Financial Information – Related Party Transactions*" on page 354.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them, and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "– *Shareholding of Directors in our Company*" on page 236.

Manoj Kumar Lohariwala and Vinay Kumar Lohariwala have also provided unsecured loans to our Company and may be deemed to be interested to the extent of interest payments made by our Company to them in relation to these loans. For further details, see *"Restated Consolidated Financial Information"* on page 260.

Further, Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Mahender Korthiwada are directors on the board of directors of UML. In consideration for these services, they are paid managerial remuneration in accordance with the provisions of the applicable law. Further, Mahender Korthiwada and Jayant Vasudeo Rao are also on the board of our Subsidiary, Sharon.

Further, our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see "*Other Financial Information - Related Party Transactions*" on page 354.

Except to the extent of the sale of Equity Shares in the Offer for Sale by the Selling Shareholders who are also Directors of our Company, there is no material existing or anticipated transaction whereby our Directors will receive any portion of the proceeds from the Offer.

As on the date of this Red Herring Prospectus, except Manoj Kumar Lohariwala and Vinay Kumar Lohariwala who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 252.

Except Shirish Gundopant Belapure, who is a director in Albert David Limited, Uniza Lifecare Private Limited, Natural Capsules Limited and Jubilant Pharmova Limited, none of our Directors have any interest in any venture that is involved in any activities similar to those conducted by our Company. For further details, see "*Risk Factors - One of our Directors is interested in certain entities which are in businesses similar to ours and this may result in conflict of interest with us. Additionally, conflicts of interest may arise out of common business objects among our Company, Subsidiaries and our Group Companies.*" on page 63.

Except as disclosed in *"Other Financial Information – Related Party Transactions"* and the consideration paid to our Directors for the acquisition of UML and the assets and liabilities of the Innova Partnership as disclosed in *"History and Certain Corporate Matters - Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on pages 354 and 225, respectively, none of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Red Herring Prospectus, or in any property acquired or proposed to be acquired by our Company.

Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of 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.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Board of Directors in the last three years:

Name of director	Date of appointment / change in designation / cessation	Reason
Manoj Kumar Lohariwala	March 18, 2022	Change in designation from Whole-time Director to Chairman and Whole-time Director
Vinay Kumar Lohariwala	March 18, 2022	Change in designation from Whole-time Director to Managing Director
Chhavi Lohariwala	April 1, 2022	Cessation as Director due to personal and unavoidable circumstances
Gian Parkash Aggarwal	April 1. 2022	Cessation as Non- Executive Director due to personal and unavoidable circumstances
Anup Agarwal	April 1, 2022	Cessation as Non-Executive Independent Director due to personal and unavoidable circumstances
Pradosh Kumar	April 1, 2022	Cessation as Non-Executive Independent Director due to personal and unavoidable circumstances
Archit Aggarwal	April 1, 2022	Appointment as Non- Executive Director
Sudhir Kumar Bassi	April 1, 2022	Appointment as Non- Executive Independent Director
Priyanka Dixit Sibal	April 1, 2022	Appointment as Non- Executive Independent Director
Shirish Gundopant Belapure	April 1, 2022	Appointment as Non- Executive Independent Director
Mahender Korthiwada	April 1, 2022	Appointment as Non- Executive Independent Director

Note: *This table does not include details of regularisations of additional Directors.*

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of this Red Herring Prospectus, we have eight Directors on our Board, of whom four are Non-Executive Independent Directors including one woman Director.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee;
(d) Corporate Social Responsibility Committee; and
(e) Risk Management Committee

For purposes of the Offer, our Board has also constituted an IPO Committee.

(a) Audit Committee

The Audit Committee was originally constituted by a resolution of our Board dated March 30, 2019 and thereafter, reconstituted pursuant to a resolution of our Board dated April 1, 2022. The Audit Committee was further reconstituted pursuant to a resolution of our Board dated August 21, 2022. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit committee is as follows:

Name of Director	Position in the Committee	Designation
Sudhir Kumar Bassi	Chairperson	Non-Executive Independent Director
Mahender Korthiwada	Member	Non-Executive Independent Director
Shirish Gundopant Belapure	Member	Non-Executive Independent Director
Vinay Kumar Lohariwala	Member	Managing Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon 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; and

g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors of the Company to take up steps in this matter;

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) approval of Related party transaction to which the subsidiary is a party;

(12) scrutiny of inter-corporate loans and investments;

(13) valuation of undertakings or assets of the Company, wherever it is necessary;

(14) evaluation of internal financial controls and risk management systems;

(15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(16) 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;

(17) discussion with internal auditors of any significant findings and follow up there on;

(18) 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;

(19) 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;

(20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(22) reviewing the functioning of the whistle blower mechanism;

(23) monitoring the end use of funds raised through public offers and related matters;

(24) overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(25) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(26) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;

(27) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;

(28) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time."

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the chief internal auditor; and

f) Statement of deviations in terms of the SEBI Listing Regulations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

    b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

g) Review the financial statements, in particular, the investments made by any unlisted subsidiary; and

h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations

The Company Secretary and Compliance Officer of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations, and not more than 120 days shall elapse between two meetings of the Audit Committee. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration committee was originally constituted by a resolution of our Board dated March 30, 2019 and thereafter, reconstituted pursuant to a resolution of our Board dated April 1, 2022. The Nomination and Remuneration Committee was further reconstituted on August 21, 2022. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

Name of Director	Position in the Committee	Designation
Sudhir Kumar Bassi	Chairperson	Non-Executive Independent Director
Priyanka Dixit Sibal	Member	Non-Executive Independent Director
Mahender Korthiwada	Member	Non-Executive Independent Director
Archit Aggarwal	Member	Non-Executive Non-Independent Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013, read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing 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 Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates;

(3) Formulation of criteria for evaluation of independent directors and the Board;

(4) Devising a policy on Board diversity;

(5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(6) Analyzing, monitoring and reviewing various human resource and compensation matters;

(7) Deciding 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;

(8) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(9) Recommending to the board, all remuneration, in whatever form, payable to non-executive directors and the senior management and other staff, as deemed necessary;

(10) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

(11) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(12) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable;

(13) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("**ESOP Scheme**") including the following:

i. Determining the eligibility of employees to participate under the ESOP Scheme;
ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
iii. Date of grant;
iv. Determining the exercise price of the option under the ESOP Scheme;
v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
x. The grant, vest and exercise of option in case of employees who are on long leave;
xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
xii. The procedure for cashless exercise of options;
xiii. Forfeiture/ cancellation of options granted;
xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action; and
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(14) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(15) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(16) Specifying the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; and

(17) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated April 1, 2022. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Sudhir Kumar Bassi	Chairperson	Non-Executive Independent Director
Manoj Kumar Lohariwala	Member	Chairman and Whole-time Director
Vinay Kumar Lohariwala	Member	Managing Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;

(2) Review of measures taken for effective exercise of voting rights by shareholders;

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(5) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(6) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(7) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

(8) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

(9) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

(10) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority; and

(11) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 16, 2014 and thereafter, reconstituted pursuant to a resolution of our Board dated March 30, 2019. The Corporate Social Responsibility was further reconstituted pursuant to a resolution of our Board dated April 1, 2022. The current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Vinay Kumar Lohariwala	Chairperson	Managing Director
Manoj Kumar Lohariwala	Member	Chairman and Whole-time Director
Sudhir Kumar Bassi	Member	Non- Executive Independent Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) 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;

(b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company. The amount spent in pursuant of the "Corporate Social Responsibility Committee" shall be, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years;

(d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(e) 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;

(f) 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;

(g) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

(i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
(ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
(iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
(iv) monitoring and reporting mechanism for the projects or programmes; and
(v) details of need and impact assessment, if any, for the projects undertaken by the Company, and

(h) 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.

(e) Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated April 1, 2022. The Risk Management Committee has been constituted in accordance with the provisions of Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Vinay Kumar Lohariwala	Chairperson	Managing Director
Manoj Kumar Lohariwala	Member	Chairman and Whole-time Director
Sudhir Kumar Bassi	Member	Non-Executive Independent Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee shall be responsible for, among other things, the following:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the Company, 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;
(b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
(c) 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 keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

(7) 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;

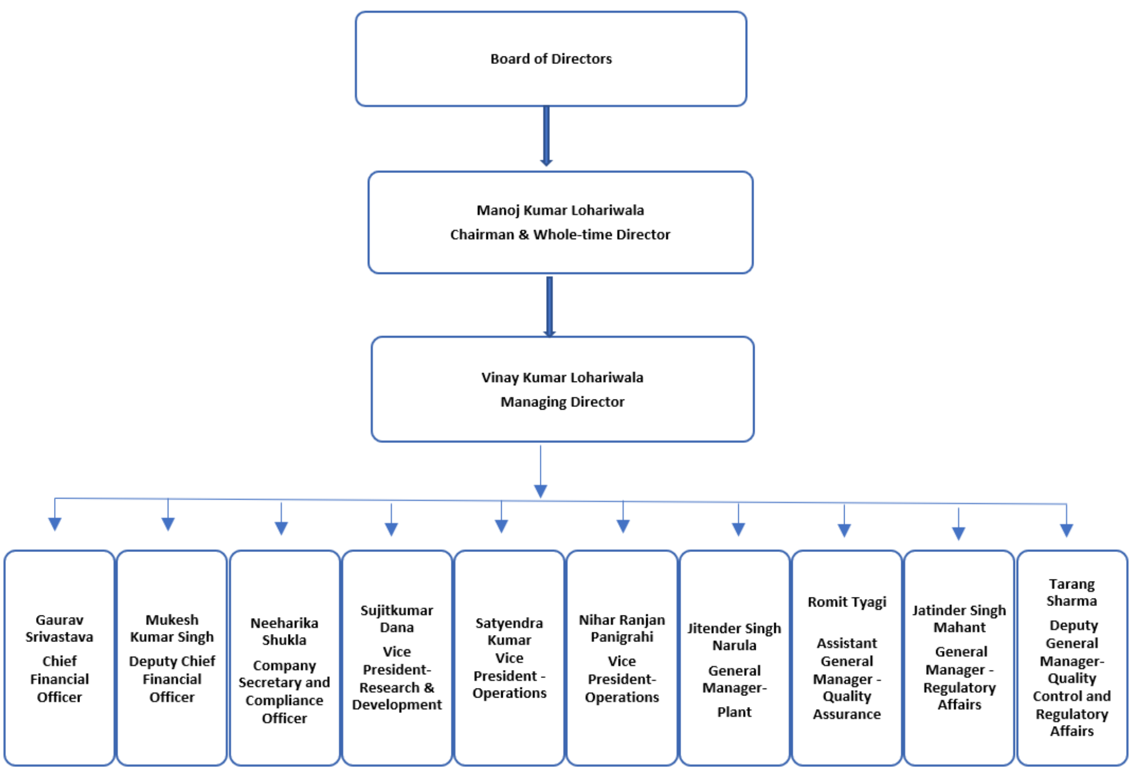
(8) The Risk Management committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary; and

(9) Perform such other activities as may be delegated by the Board or specified / provided under the SEBI Listing Regulations, as amended or under any other applicable law or by any regulatory authority.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

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 higher, including at least one member of the board of directors in attendance.

Management organization chart



Key Managerial Personnel and Senior Management

Key Managerial Personnel

In addition to Manoj Kumar Lohariwala, Vinay Kumar Lohariwala and Jayant Vasudeo Rao, the whole-time directors of our Company, whose details are provided in "– *Brief profiles of our Directors*" on page 232, the details of our other Key Managerial Personnel as on the date of this Red Herring Prospectus are as set forth below:

Gaurav Srivastava is the Chief Financial Officer of our Company. He has been associated with our Company since

August 12, 2023. In our Company, he handles financial and strategic functions. He is an associate member of the Institute of Chartered Accountants of India. He has approximately 17 years of experience in the corporate finance sector. Before being associated with our Company, he served as a senior consultant with Protiviti Consulting Private Limited, as an assistant manager with KPMG Resource Centre Private Limited, as a senior associate with Ernst & Young Private Limited, as a consultant with Accuracy India Private Limited and as vice president – finance with Aaidea Solutions Private Limited. In his previous positions, he has handled finance related functions. Since he joined our Company on August 12, 2023, no remuneration was paid to him in Fiscal 2023.

Mukesh Kumar Singh is the Deputy Chief Financial Officer of our Company. He has been associated with our Company since December 1, 2010. In our Company, he handles operational accounting and banking and finance functions. He has been provisionally conferred with the bachelor's degree in commerce and a degree in masters in business administration, both from Magadh University, Bodh Gaya. The remuneration paid to him in Fiscal 2023 was ₹1.77 million.

Neeharika Shukla is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since May 9, 2022. In our Company, she handles compliance and secretarial functions. She holds a bachelor's degree in commerce (corporate secretaryship) from the Faculty of Commerce, University of Madras, Tamil Nadu, and is an associate member of the Institute of Company Secretaries of India. She has approximately five years of experience in the company secretarial sector. Before being associated with our Company, she served as the company secretary with R G S Healthcare Limited, the company secretary and compliance officer with Perfect Infraengineers Limited and the company secretary with CM Associates Private Limited, and has handled secretarial functions. The remuneration paid to her in Fiscal 2023 was ₹0.54 million.

Senior Management

The details of our Senior Management as on the date of this Red Herring Prospectus are as set forth below:

Satyendra Kumar is the Vice President - Operations of our Company. He has been associated with our Company since December 10, 2010. In our Company, he handles productions and operations. He holds a bachelor's degree in pharmacy from Dr. Babasaheb Ambedkar Marathwada University, Maharashtra. He has approximately 28 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the senior manager with Nector Life Sciences Limited, assistant manager- production with Vaibhav Health Care Private Limited, officer production with FDC Limited and executive - production with Aurobindo Pharma Limited. In his previous positions, he has handled functions such as productions and operations. The remuneration paid to him in Fiscal 2023 was ₹4.02 million.

Sujitkumar Dana is the Vice President - Research and Development of our Company. He has been associated with our Company since February 12, 2021. In our Company, he handles research and development. He holds a bachelor's degree in pharmacy from College of Pharmaceutical Sciences, Mahuda, Berhampur University, Odisha and a master's degree in pharmacy from Singhania University, Rajasthan. He has also completed the one-year correspondence diploma in pharmaceutical production management from the Institute of Pharmaceutical Education and Research, Pune, Maharashtra. He has approximately 26 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the principal scientist III with Hetero Labs Limited, and as the deputy general manager with Cadila Healthcare Limited, and was associated with Aurobindo Pharma Limited, Astron Research Limited, Lancet Pharma Private Limited, Cadila Pharmaceuticals Limited and Core Healthcare Limited. In his previous positions, he has handled functions such as research and development. The remuneration paid to him in Fiscal 2023 was ₹5.24 million.

Nihar Ranjan Panigrahi is the Vice President - Operations of our Company. He has been associated with our Company since February 17, 2023. In our Company, he handles overall plant operations. He holds a bachelor's degree in pharmacy from Berhampur University, Odisha and a master's degree in pharmacy from Chhatrapati Shahu Ji Maharaj University, Kanpur, Uttar Pradesh. He has approximately 20 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as management staff with Lancet Pharma Private Limited, as supervisor-production with Ranbaxy Laboratories Limited, as deputy manager with Dr. Reddy's Laboratories Limited, as senior executive-production and then as general manager-manufacturing with Sidmak Laboratories (India) Private Limited, as deputy general manager-operations at Mankind Pharma Limited, as senior general manager-manufacturing operations at Marksans Pharma Limited, as assistant vice president-operations at Stanford Laboratories Private Limited and as assistant vice president-operations at Galpha Laboratories Limited. In his previous positions, he has handled production and managerial functions. The remuneration paid to him in Fiscal 2023 was ₹0.40 million.

Jitender Singh Narula is the General Manager - Plant of our Company. He has been associated with our Company since January 2, 2015. In our Company, he handles managerial functions. He holds a bachelor's degree in pharmacy from Gulbarga University, Karnataka and a master's degree in business administration (part-time) from Jamia Millia Islamia, New Delhi**.** He has approximately 26 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the senior manager (production) with Parenteral Drugs (India) Limited, assistant manager-production with Glenmark Pharmaceuticals Limited, and manufacturing chemist with Best Laboratories Private Limited. In his previous positions, he has handled production and managerial functions. The remuneration paid to him in Fiscal 2023 was ₹2.05 million.

Jatinder Singh Mahant is the General Manager - Regulatory Affairs of our Company. He has been associated with our Company since November 4, 2020. In our Company, he handles regulatory affairs. He holds a bachelor's degree in pharmacy from Punjabi University, Punjab and a master's degree in pharmacy in pharmaceutical chemistry from Vinayaka Missions University, Tamil Nadu. He has approximately 17 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the senior executive-quality assurance and regulatory affairs with Nectar Lifesciences Limited, and was associated with Theon Pharmaceuticals Limited, Venus Remedies Limited, Wockhardt Research Centre and Jubilant Organosys Limited. In his previous positions, he has handled functions such as management of regulatory affairs. The remuneration paid to him in Fiscal 2023 was ₹2.89 million.

Tarang Sharma is the Deputy General Manager - Quality Control and Regulatory Affairs of our Company. He has been associated with our Company since September 15, 2014. In our Company, he handles regulatory affairs. He holds a bachelor's degree in science from Barkatullah Vishwavidyalaya, Bhopal, Madhya Pradesh and a master's degree in science (chemistry) from Barkatullah Vishwavidyalaya, Bhopal, Madhya Pradesh. He has approximately 21 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as the senior manager (quality control) with Ind-Swft Limited, and as the officer-quality control with Aristo Pharmaceuticals Limited, and was also associated with Mapra Laboratories Private Limited, Cipla Limited, Ipca Laboratories Limited, Lupin Limited and Plethico Pharmaceuticals Limited. In his previous positions, he has handled functions such as regulatory affairs, quality control and assurance. The remuneration paid to him in Fiscal 2023 was ₹2.43 million.

Romit Tyagi is the Assistant General Manager - Quality Assurance of our Company. He has been associated with our Company since October 3, 2016. In our Company, he handles quality assurance. He holds a bachelor's degree in pharmacy from Rajiv Gandhi University of Health Sciences, Karnataka. He has approximately 13 years of experience in the pharmaceutical industry. Before being associated with our Company, he served as senior executive-quality assurance with Albert David Limited and quality assurance-executive with Arbro Pharmaceuticals Limited, and was also associated with ACME Formulation Private Limited. In his previous positions, he has handled functions such as quality assurance and quality control. The remuneration paid to him in Fiscal 2023 was ₹1.72 million.

Relationships among Key Managerial Personnel and Senior Management, and with Directors

Except as specified in "– *Relationships between our Directors, Key Managerial Personnel and Senior Management"*, none of our Key Managerial Personnel or Senior Management are related to each other or to the Directors of our Company.

Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Changes in the Key Managerial Personnel or Senior Management in last three years

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 238, there have been no changes in the Key Managerial Personnel or the Senior Management in the last three years:

Name	Date of change	Reason
Sujitkumar Dana	February 12, 2021	Appointment as Vice President – Research and Development
Jitender Singh Narula	April 1, 2021	Change in designation from Plant Manager to General Manager - Plant
Satyendra Kumar	July 1, 2021	Change in designation from Plant Manager to Vice President - Operations
Tarang Sharma	July 1, 2021	Change in designation from Assistant General Manager – Regulatory Affairs to Deputy General Manager – Quality Control and Regulatory Affairs
Arun Mangla	September 1, 2021	Change in designation from Deputy General Manager – Production to General Manager – Production
Shikha Kanwar	January 24, 2022	Cessation as Company Secretary
Rajveer Singh	January 25, 2022	Appointment as Company Secretary
Mukesh Kumar Singh*	April 1, 2022	Cessation as Chief Financial Officer
Rishi Gupta	April 1, 2022	Appointment as Chief Financial Officer
Rajveer Singh	April 1, 2022	Cessation as Company Secretary
Neeharika Shukla	May 9, 2022	Appointment as Company Secretary and Compliance Officer
Nihar Ranjan Panigrahi	February 17, 2023	Appointment as the Vice President – Operations
Rishi Gupta	April 26, 2023	Cessation as Chief Financial Officer
Gaurav Srivastava	June 27, 2023**	Appointment as the Head – Finance and Strategy

* *While Mukesh Kumar Singh resigned from his position as our chief financial officer on April 1, 2022, he was subsequently redesignated as senior manager and pursuant to letter dated July 1, 2023, he was promoted to the designation of Deputy Chief Financial Officer of our Company.*
** *Gaurav Srivastava was subsequently appointed as the Chief Financial Officer of our Company with effect from August 12, 2023.*

The rate of attrition of our Key Managerial Personnel and our Senior Management is not high in comparison to the industry in which we operate.

Status of Key Managerial Personnel and Senior Management

As on the date of this Red Herring Prospectus, all our Key Managerial Personnel and our Senior Management are permanent employees of our Company.

Retirement and termination benefits

Neither our Key Managerial Personnel nor our Senior Management have entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel or our Senior Management is entitled to any benefit upon termination of employment or superannuation.

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed under "– *Shareholding of Directors in our Company*" on page 236, none of our other Key Managerial Personnel or our Senior Management hold any Equity Shares in our Company.

Contingent and deferred compensation payable to Key Managerial Personnel or our Senior Management

As on the date of this Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel or our Senior Management for Fiscal 2023 (including compensation payable at a later date), which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel or the Senior Management

Our Company has no profit-sharing plan in which the Key Managerial Personnel or our Senior Management participate. Our Company makes bonus payments to our Key Managerial Personnel and our Senior Management, in accordance with their terms of appointment.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel and our Senior Management are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel and our Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

Also see "*Our Management – Interest of Directors*" on page 237.

Employee Stock Option Plan

As on the date of this Red Herring Prospectus, our Company does not have any active employee stock option plan.

Payment or Benefit to officers of our Company (non-salary related)

Except as disclosed in "*Other Financial Information – Related Party Transactions*" and the consideration paid to our Directors for the acquisition of UML and the assets and liabilities of the Innova Partnership as disclosed in *"History and Certain Corporate Matters - Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on pages 354 and 225, respectively, no non-salary related amount or benefit has been paid or given within the two years preceding the date of this Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel or our Senior Management.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Manoj Kumar Lohariwala and Vinay Kumar Lohariwala. As on the date of this Red Herring Prospectus, our Promoters collectively hold 33,472,000 Equity Shares, representing 66.83% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" on page 97.

Details of our Promoters

1. Manoj Kumar Lohariwala

Manoj Kumar Lohariwala, aged 51 years, is one of our Promoters and is also the Chairman and Whole-time Director on our Board. For the complete profile of Manoj Kumar Lohariwala along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 230.

His permanent account number is AAFPL4298Q.

As on date of this Red Herring Prospectus, Manoj Kumar Lohariwala holds 19,036,000 Equity Shares, representing 38.01% of the issued, subscribed and paid-up Equity Share capital of our Company.

2. Vinay Kumar Lohariwala

Vinay Kumar Lohariwala, aged 47 years, is one of our Promoters and is also the Managing Director on our Board. For the complete profile of Vinay Kumar Lohariwala along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 230.

His permanent account number is AAFPL4300B.

As on date of this Red Herring Prospectus, Vinay Kumar Lohariwala holds 14,436,000 Equity Shares, representing 28.82% of the issued, subscribed and paid-up Equity Share capital of our Company.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of Manoj Kumar Lohariwala and Vinay Kumar Lohariwala were submitted to the Stock Exchanges at the time of filing the 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 Red Herring Prospectus.

Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company, their directorship in our Company, and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" on page 92.

Further, our Promoters are also directors on the boards, or are shareholders, proprietors, members, partners or persons in control of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see "*Other Financial Information – Related Party Transactions*" on page 354.

Our Promoters may also be deemed to be interested to the extent of remuneration, benefits, and reimbursement of expenses payable to them as Directors on our Board. For further details, see "*Our Management*" on page 230.

Our Promoters have also provided unsecured loans to our Company and may be deemed to be interested to the extent of interest payments made by our Company to the Promoters in relation to these loans. For further details, see *"Restated Consolidated Financial Information"* and *"Financial Indebtedness"* on pages 260 and 422, respectively.

Further, our Promoters are also directors on the board of directors of UML. In consideration for these services, they are paid managerial remuneration in accordance with the provisions of the applicable law.

Except as disclosed in *"Other Financial Information – Related Party Transactions"* and the consideration paid to our Promoters for the acquisition of UML and the assets and liabilities of the Innova Partnership as disclosed in *"History and Certain Corporate Matters - Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on pages 354 and 225, respectively, none of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Red Herring Prospectus or proposed to be acquired by it as on the date of this Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery etc.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the three months ended June 30, 2023, and Fiscals 2023, 2022 and 2021, see "*Other Financial Information – Related Party Transactions*" on page 354.

Our Promoters are on the board of directors of Innoventis Medicare Limited and Univentis Medicare Limited all of which, are engaged in activities similar to those conducted by our Company. Other than this, none of our Promoters have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Companies or firms with which our Promoters have disassociated in the last three years

Except for the following, none of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Red Herring Prospectus:

S. No.	Name of the entity from which our Promoter has disassociated	Promoter	Date of disassociation	Reason for disassociation
1.	Modern Fastners Private Limited	Manoj Kumar Lohariwala	December 1, 2021	Transfer of shareholding and stepped down as a director
2.		Vinay Kumar Lohariwala	December 1, 2021	Transfer of shareholding and stepped down as a director

Note: Vinay Kumar Lohariwala was previously a director and shareholder of Alliance Resorts and Spa Private Limited, which was voluntarily struck off on October 5, 2021.

Further, our Promoters were associated with the Innova Partnership, whose assets and liabilities were acquired by our Company with effect from March 31, 2021. For further details, see "History and Certain Corporate Matters – Details regarding material acquisition or divestment of business or undertakings in the last 10 years" on page 225.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed in this section and as stated in *"Our Management",* "*Other Financial Information – Related Party Transactions*", and the consideration paid to our Promoters for the acquisition of UML and the assets and liabilities of the Innova Partnership as disclosed in *"History and Certain Corporate Matters - Details regarding material acquisition or divestment of business or undertakings in the last 10 years"* on pages 230, 354 and 225, respectively, no amount or benefits have been paid or given by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or any of the members of the Promoter Group as on the date of this Red Herring Prospectus, except as set out below:

Anshika Lohariwala, a member of the Promoter Group, is an employee of our Company and accordingly, a remuneration of ₹1.20 million per annum is payable to her.

Material Guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Red Herring Prospectus.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter
1.	Manoj Kumar Lohariwala	Vandana Lohariwala	Spouse
		Sita Devi Lohariwala	Mother
		Shyamsunder Agarwal	Brother
		Vandana Gohlyan	Sister
		Dhruv Lohariwala	Son
		Anushka Lohariwala	Daughter
		Anshika Lohariwala	Daughter
		Vishwanath Choudhary	Spouse's father
		Sumitra Devi Choudhary	Spouse's mother
		Deen Dayal Choudhary	Spouse's brother
		Anju Jajodia	Spouse's sister
2.	Vinay Kumar Lohariwala	Chhavi Lohariwala	Spouse
		Sita Devi Lohariwala	Mother
		Shyamsunder Agarwal	Brother
		Vandana Gohlyan	Sister
		Vitthal Aggarwal	Son
		Aarohi Aggarwal	Daughter
		Ram Avtar Singal	Spouse's father
		Sushila Singal	Spouse's mother
		Saket Singal	Spouse's brother

Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

1. Azine Healthcare Private Limited
2. Innoventis Medicare Limited
3. Globentis International Private Limited
4. Manojkumar Shyamsunder HUF
5. Manojkumar Shyamsunder Vinaykumar HUF

6. Manojkumar Vinaykumar HUF
7. Nandkishore Manojkumar HUF
8. Nandkishore Manojkumar Shyamsunder HUF
9. Nandkishore Manojkumar Vinaykumar HUF
10. Nandkishore Shyamsunder HUF
11. Nandkishore Shyamsunder Vinaykumar HUF
12. Nandkishore Vinaykumar HUF
13. Nugenic Pharma Private Limited
14. Pharmatech Healthcare
15. Saket Singal HUF
16. Shubh Packaging
17. Shyamsunder Lohariwala HUF
18. Shyamsunder Vinaykumar HUF
19. Vinay Lohariwala HUF
20. Vishwanath Choudhary HUF

GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies (other than our Subsidiaries) with which there were related party transactions during the period for which the Restated Consolidated Financial Information has been disclosed in this Red Herring Prospectus, as covered under the applicable accounting standards (i.e., Ind AS 24); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on June 19, 2022, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a 'group company' in this Red Herring Prospectus. In terms of such materiality policy, if a company (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with the Company during the most recent Financial Year and the most recent period included in the Restated Consolidated Financial Information, that cumulatively exceed 10.00% of the revenue from operations of our Company derived from the Restated Consolidated Financial Information of the last completed full Financial Year.

Based on the parameters set out above, the following have been identified as Group Companies:

1. Nugenic Pharma Private Limited
2. Azine Healthcare Private Limited
3. DMS Electronics Private Limited

Details of our Group Companies:

The details of our Group Companies are as provided below:

1. **Nugenic Pharma Private Limited ("Nugenic Pharma")**

The registered office of Nugenic Pharma is situated at 69/A, EPIP, Phase-1, Jharmajri, Baddi, Solan 173 205, Himachal Pradesh, India. The promoters of Nugenic Pharma are Vinay Kumar Lohariwala, Manoj Kumar Lohariwala,Rohit Lohariwala, Vikrant Lohariwala, Kaushlaya Devi Lohariwala and Bindu Devi Lohariwala. Nugenic Pharma is currently engaged in the business of manufacturing of packaging materials.

Brief financial highlights of Nugenic Pharma based on the audited standalone financial statements for Fiscals 2023, 2022 and 2021 are set out below:

(*₹ in million*)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Reserves (excluding revaluation reserve)	165.13	157.05	155.59
Total revenue	807.93	639.47	605.12
Profit / (Loss) for the year	8.25	1.46	8.90
Earnings per share	4.41	0.78	4.75
Diluted earnings per share	4.41	0.78	4.75
Net asset value	183.86	175.77	174.32

This information is also available on the website of our Company at www.innovacaptab.com/investor-relations.

2. **Azine Healthcare Private Limited ("Azine Healthcare")**

The registered office of Azine Healthcare is situated at Plot No. 401, Kerela GIDC, Opp BSNL Tower, Bavla, Ahmedabad 382 200, Gujarat, India. The promoters of Azine Healthcare are Rekha Lohariwala, Shyamsunder Agrawal and Shyamsunder Lohariwala HUF. Azine Healthcare is currently engaged in the business of manufacturing of pharmaceutical products.

Brief financial highlights of Azine Healthcare based on the audited standalone financial statements for Fiscals 2023, 2022 and 2021 are set out below:

(*₹ in million*)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Reserves (excluding revaluation reserve)	45.63	44.80	43.52

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total revenue	268.18	367.03	274.41
Profit / (Loss) for the year	0.83	1.28	0.94
Earnings per share	3.45	5.27	3.90
Diluted earnings per share	3.45	5.27	3.90
Net asset value	48.05	47.22	45.94

This information is also available on the website of our Company at www.innovacaptab.com/investor-relations.

3. **DMS Electronics Private Limited ("DMS Electronics")**

The registered office of DMS Electronics is situated at 11, A1 Block, Vasu Layout Rangarao Colony, Dattagally, Mysore 570 022, Karnataka, India. The promoters of DMS Electronics are Gian Parkash Aggarwal, Vijay Parkash Aggarwal, Ankit Aggarwal, Lalit Jindal, Archit Aggarwal, Rakesh Kumar Aggarwal and Mayur Aggarwal. DMS Electronics is currently engaged in the business of manufacturing of printed circuit boards.

Brief financial highlights of DMS Electronics based on the audited standalone financial statements for Fiscals 2023, 2022 and 2021 are set out below:

(*₹ in million*)

Particulars	Fiscal 2023	Fiscal 2022	Fiscal 2021
Reserves (excluding revaluation reserve)	(28.50)	(23.91)	0.06
Total revenue	4.93	221.08	151.75
Profit / (Loss) for the year	(4.59)	(24.06)	4.27
Earnings per share	(1.83)	(10.32)	4.27
Diluted earnings per share	(1.83)	(10.32)	4.27
Net asset value	(3.50)	1.09	10.06

This information is also available on the website of our Company at www.innovacaptab.com/investor-relations.

It is clarified that such details available on the websites of our Group Companies do not form part of this Red Herring Prospectus. Such information should not be considered by any investor to purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Our Company, the BRLMs or any of our Company's or the BRLMs' respective directors, employees, affiliates, associates, advisors, agents or representatives have not verified the information available on the websites.

Common pursuits among Group Companies

Other than Azine Healthcare Private Limited, which is engaged in business similar to that of our Company, there are no common pursuits among any of our Group Companies and our Company. Further, Nugenic Pharma Private Limited, which is also part of our Promoter Group and of which two of our Directors are also directors, is authorised by its constitutional documents to engage in the same line of business as that of our Company. Further, our Promoters are also promoters of Nugenic Pharma Private Limited. In addition, one of our Directors is also on the board of our Group Company, DMS Electronics Private Limited. The transactions we have entered into with, and any future transactions that we may have with these Group Companies, as may be applicable, could potentially involve conflicts of interest which may be detrimental to us. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise. See *"Risk Factors – We outsource packaging of our products to Nugenic Pharma Private Limited which is part of our Promoter Group and that exposes us to conflicts of interest."* on page 59.

Nature and extent of interest of our Group Companies

a. Interest in the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

b. Interest in the property acquired or proposed to be acquired by the Company

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

c. Interest in transactions for acquisition of land, construction of building, or supply of machinery

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, or supply of machinery, with our Company.

Related business transactions and their significance on the financial performance of our Company

Other than the transactions disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 354, there are no related business transactions between the Group Companies and our Company.

Business interest of our Group Companies in our Company

Except as disclosed in the section "*Other Financial Information – Related Party Transactions*" on page 354, our Group Companies have no business interests in our Company.

Litigation

As on the date of this Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company.

Other confirmations

The securities of our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public / rights / composite issue (as defined under the SEBI ICDR Regulations) in the three years preceding the date of this Red Herring Prospectus.

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, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

The dividend policy of our Company was adopted pursuant to the resolution of our Board dated April 1, 2022 (**"Dividend Policy"**). In terms of the Dividend Policy, our Board will consider various internal / financial parameters before declaring or recommending dividend to Shareholders, including, amongst others, the operating cash flow of our Company, the profits earned during the year, the profits available for distribution, the earnings per share, dividend declared by our Subsidiaries, if any, and our working capital requirements. Further, our Board will consider external factors, such as industry outlook and economic environment, statutory provisions and guidelines, and dividend pay-out ratios of companies in the same industry, before declaring dividend.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 422. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

Our Company has not declared any dividends on the Equity Shares during the last three Fiscals and the three months ended June 30, 2023, and the period from June 30, 2023, until the date of this Red Herring Prospectus.

The past trend in relation to our payment of dividends is not necessarily indicative of our dividend trend or dividend policy, in the future, and there is no guarantee that any dividends will be declared or paid in the future. For details in relation to the risk involved, see "*Risk Factors – We cannot assure payment of dividends on the Equity Shares in the future.*" on page 69.

SECTION VI – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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OTHER FINANCIAL INFORMATION

Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Three months ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Earnings per Equity Share (basic)[1] (in ₹)	3.67	14.16	13.32	7.19
Earnings per Equity Share (diluted)[2] (in ₹)	3.67	14.16	13.32	7.19
Return on Net Worth[3] (in %)	5.98*	24.58	30.66	23.83
Net Asset Value per Equity Share (in ₹)[4]	61.31	57.60	43.45	30.16
Profit for the period / year (in ₹ million)	175.93	679.54	639.53	345.00
EBITDA[5] (in ₹ million)	324.24	1,228.45	989.03	558.57

Notes:
** Not annualised*

1. *Basic EPS amounts are calculated by dividing the restated profit for the period / year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.*
2. *Diluted EPS amounts are calculated by dividing the restated profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares.*
3. *Return on Net Worth, a non-GAAP measure, is calculated as profit for the period / year divided by net worth.*
4. *Net Asset Value Per Equity Share, a non-GAAP measure, derived as Equity Calculated as net worth divided by number of equity shares outstanding as at the year end.*
5. *EBITDA, a non-GAAP measure, is calculated as restated profit for the period / year plus total tax expense, plus depreciation and amortization expense, plus finance costs.*

Accounting ratios derived from the Pro Forma Condensed Consolidated Financial Information

The accounting ratios derived from Pro Forma Condensed Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2023
Earnings per Equity Share (basic)[1] (in ₹)	21.07
Earnings per Equity Share (diluted)[2] (in ₹)	21.07
Return on Net Worth[3] (in %)	36.58%
Net Asset Value per Equity Share (in ₹)[4]	57.60
Profit for the year (in ₹ million)	1,011.20
EBITDA[5] (in ₹ million)	1,972.75

Notes:

1. *Basic EPS amounts are calculated by dividing the Pro Forma profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.*
2. *Diluted EPS amounts are calculated by dividing the Pro Forma profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares.*
3. *Return on Net Worth, a non-GAAP measure, is calculated as Pro Forma profit for the year divided by net worth.*
4. *Net Asset Value Per Equity Share, a non-GAAP measure, is calculated as net worth divided by number of equity shares outstanding as at the year end.*
5. *EBITDA, a non-GAAP measure, is calculated as Pro Forma profit for the year plus total tax expense, plus depreciation and amortization expense, plus finance costs.*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company and UML for Fiscals 2023, 2022 and 2021 (collectively, the **"Audited Standalone Financial Statements**") are available on our website at www.innovacaptab.com/investor-relations.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Standalone Financial Statements, or the opinions expressed therein.

Reconciliation of non-GAAP measures

Reconciliation for the following non-GAAP financial measures included in this Red Herring Prospectus are as set out below:

Based on our Restated Consolidated Financial Information

1. Earnings before interest and tax (EBIT)

The following table sets forth our earnings before interest and tax (EBIT), including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Earnings before interest and tax is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, and (iii) finance costs.

(in ₹ million)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Add: Total tax expense (B)	70.06	238.41	217.67	118.44
Add: Finance costs (C)	50.31	199.73	56.80	39.27
EBIT (D=A+B+C)	**296.30**	**1,117.68**	**914.00**	**502.71**

Source: Derived from the Restated Consolidated Financial Information

2. Earnings before interest, tax, depreciation and amortization ("EBITDA") and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for the three period ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in million, except for percentages)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Add: Finance costs (B)	50.31	199.73	56.80	39.27
Add: Total tax expense (C)	70.06	238.41	217.67	118.44
Add: Depreciation and amortization expense (D)	27.94	110.77	75.03	55.86
EBITDA (E=A+B+C+D)	**324.24**	**1,228.45**	**989.03**	**558.57**
Revenue from operations (F)	2,332.43	9,263.80	8,005.26	4,106.62
EBITDA Margin (G=E/F)	**13.90%**	**13.26%**	**12.35%**	**13.60%**

Source: Derived from the Restated Consolidated Financial Information

3. Net Debt

The following table sets forth our Net Debt for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(in ₹ million)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Non-current borrowings (1)	2,956.83	1,341.77	673.52	60.00
Current borrowings (2)	1,462.17	1,010.15	1,308.30	390.26

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Total borrowings (A= (1) + (2))	**4,419.00**	**2,351.92**	**1,981.82**	**450.26**
Cash and cash equivalents (3)	324.14	35.25	1.52	47.95
Bank balances other than cash and cash equivalents (4)	509.85	153.50	22.87	70.99
Net Debt (B=A-(3+4))	**3,585.01**	**2,163.17**	**1,957.43**	**331.32**

Source: Derived from the Restated Consolidated Financial Information

4. Debt-Equity Ratio and Net Debt/EBITDA Ratio

The following table sets forth our Debt-Equity Ratio and Net Debt/EBITDA Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings. Net Debt/EBITDA Ratio is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the year.

(in ₹ million, except ratios)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Non-current borrowings (1)	2,956.83	1,341.77	673.52	60.00
Current borrowings (2)	1,462.17	1,010.15	1,308.30	390.26
Total borrowings (A= (1) + (2))	4,419.00	2,351.92	1,981.82	450.26
Total equity (B)	3,655.06	2,765.06	2,086.06	1,448.21
Debt-Equity Ratio (C=A/B)	**1.21**	**0.85**	**0.95**	**0.31**
Profit for the period / year (D)	175.93	679.54	639.53	345.00
Debt / Profit for the period / year (A/D)	**25.12***	**3.46**	**3.10**	**1.31**
Cash and cash equivalents (3)	324.14	35.25	1.52	47.95
Bank balances other than cash and cash equivalents (4)	509.85	153.50	22.87	70.99
Net Debt (E=A-(3+4))	3,585.01	2,163.17	1,957.43	331.32
EBITDA (F)	324.24	1,228.45	989.03	558.57
Net Debt / EBITDA Ratio (G=E/F)	**11.06***	**1.76**	**1.98**	**0.59**

Source: Derived from the Restated Consolidated Financial Information
** Not annualised*

5. Return on Equity

The following table sets forth our Return on Equity, including a reconciliation of such financial measure to the Restated Consolidated Financial Information for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Equity is calculated as profit for the period / year divided by total equity.

(in ₹ million, except percentages)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Total equity (B)	3,655.06	2,765.06	2,086.06	1,448.21
Return on Equity (C=A/B)	**4.81%***	**24.58%**	**30.66%**	**23.82%**

Source: Derived from the Restated Consolidated Financial Information
** Not annualised*

6. Profit After Tax ("PAT") Margin

The following table sets forth our PAT Margin, including a reconciliation of such financial measure to the Restated

Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. PAT Margin is calculated as profit for the period / year divided by revenue from operations.

(in ₹ million, except percentages)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Revenue from operations (B)	2,332.43	9,263.80	8,005.26	4,106.62
PAT Margin (C=A/B)	**7.54%**	**7.34%**	**7.99%**	**8.40%**

Source: Derived from the Restated Consolidated Financial Information

7. Capital Employed

The following table sets forth our Capital Employed for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million)

Particulars	Three months ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Total assets (1)	10,861.58	7,044.14	5,754.75	3,696.16
Total liabilities (2)	7,206.52	4,279.08	3,668.69	2,247.95
Goodwill (3.1)	166.94	166.94	166.94	-
Other intangible assets (3.2)	9.42	7.73	4.53	4.44
Non-current borrowings (4)	2,956.83	1,341.77	673.52	60.00
Current borrowings (5)	1,462.17	1,010.15	1,308.30	390.26
Total borrowings (6)=(4)+(5)	4,419.00	2,351.92	1,981.82	450.26
Capital Employed ((7) = (1) – (2) – (3.1) – (3.2) + (6))	**7,897.70**	**4,942.31**	**3,896.41**	**1,894.03**

Source: Derived from the Restated Consolidated Financial Information

8. Return on Capital Employed

The following table sets forth our Return on Capital Employed, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the period / year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million, except percentages)

Particulars	Three months ended June 30, 2023*	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Add: Total tax expense (B)	70.06	238.41	217.67	118.44
Add: Finance costs (C)	50.31	199.73	56.80	39.27
EBIT (D=A+B+C)	**296.30**	**1,117.68**	**914.00**	**502.71**
Total assets (1)	10,861.58	7,044.14	5,754.75	3,696.16
Total liabilities (2)	7,206.52	4,279.08	3,668.69	2,247.95
Goodwill (3.1)	166.94	166.94	166.94	-
Other intangible assets (3.2)	9.42	7.73	4.53	4.44
Non-current borrowings (4)	2,956.83	1,341.77	673.52	60.00
Current borrowings (5)	1,462.17	1,010.15	1,308.30	390.26
Total borrowings (6) = (4) + (5)	4,419.00	2,351.92	1,981.82	450.26
Capital Employed (E= (1) – (2) – (3.1) – (3.2) + (6))	7,897.70	**4,942.31**	**3,896.41**	1,894.03
Return on Capital Employed (F=D/E)	**3.75%***	**22.61%**	**23.46%**	**26.54%**

Source: Derived from the Restated Consolidated Financial Information
** Not annualised*

9. Fixed Asset Turnover Ratio

The following table sets forth our Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by sum of the property, plant and equipment, other intangible assets and capital work in progress as at the end of the year.

(in ₹ million, except ratios)

Particulars	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Property Plant and Equipment (A)	2,900.79	1,501.06	1,565.60	763.59
Other intangible assets (B)	9.42	7.73	4.53	4.44
Capital work in progress (C)	348.33	215.43	0.31	72.64
Revenue from operations (D)	2,332.43	9,263.80	8,005.26	4,106.62
Fixed Asset Turnover Ratio (E=D/(A+B+C))	**0.72***	**5.37**	**5.10**	**4.88**

Source: Derived from the Restated Consolidated Financial Information
** Not annualised*

10. Net Worth

The following table sets forth our Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Net Worth is calculated as a sum of Equity Share capital and other equity less capital reserves.

(in ₹ million)

Particulars	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Equity share capital (A)	480.00	480.00	120.00	120.00
Other equity (B)	3,175.06	2,285.06	1,966.06	1,328.21
Capital reserve (C)	712.39	0.44	0.44	0.44
Net Worth (D=A+B-C)	**2,942.67**	**2,764.62**	**2,085.62**	**1,447.77**

Source: Derived from the Restated Consolidated Financial Information

11. Return on Net Worth

The following table sets forth our Return on Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021. Return on Net Worth is calculated as profit for the period / year divided by net worth as at the end of the year.

(in ₹ million, except percentages)

Particulars	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Profit for the period / year (A)	175.93	679.54	639.53	345.00
Net Worth (B)	2,942.67	**2,764.62**	**2,085.62**	1,447.77
Return on Net Worth (C=A/B)	**5.98%***	**24.58%**	**30.66%**	**23.83%**

Source: Derived from the Restated Consolidated Financial Information
** Not annualised*

12. Net Asset Value per Equity Share

The following table sets forth our Net Asset value per Equity Share for the three months ended June 30, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, on a restated consolidated basis. Net Asset Value per Equity Share is calculated as net worth divided by number of equity shares outstanding as at the end of the year.

(in ₹ million, except stated otherwise)

Particulars	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Equity share capital (A)	480.00	480.00	120.00	120.00
Other equity (B)	3,175.06	2,285.06	1,966.06	1,328.21
Capital reserve (C)	712.39	0.44	0.44	0.44
Net Worth (D=A+B-C)	**2,942.67**	**2,764.62**	**2,085.62**	**1,447.77**
Number of Equity shares outstanding as at the year end(1)	48,000,000	48,000,000	48,000,000	48,000,000

Particulars	Period ended June 30, 2023	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
Net Asset Value per Equity Share (in ₹)	**61.31**	**57.60**	**43.45**	**30.16**

Source: Derived from the Restated Consolidated Financial Information

(1) Pursuant to a Board resolution dated April 1, 2022 and Shareholders' resolution at the Company's EGM dated April 4, 2022, equity shares of face value of ₹100 each of the Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued, subscribed and paid up share capital of the Company comprising 1,200,000 equity shares of face value of ₹100 each were sub-divided into 12,000,000 equity shares of face value of ₹10 each. Also, subsequent to December 31, 2021, the Shareholders of the Company in its EGM held on April 4, 2022 approved the issue of bonus shares in the ratio 3:1 per fully paid equity share having face value of ₹10 each to the existing equity Shareholders of the Company in accordance with the provisions of the Companies Act, 2013 whose name appeared in the register of member/beneficial ownership as on record date of April 22, 2022. The number of equity shares outstanding as at the period/year end have been presented to reflect the adjustments for the sub-division of equity shares and the bonus issue retrospectively for the computation of NAV.

Based on our Pro Forma Condensed Consolidated Financial Information

1. Pro Forma Earnings Before Interest And Tax

The following table sets forth our Pro Forma Earnings Before Interest And Tax ("**Pro Forma EBIT**"), including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma EBIT is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs.

(in ₹ million)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Total tax expense (B)	398.83
Add: Finance costs (C)	365.59
Pro Forma EBIT (D=A+B+C)	**1,775.62**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

2. Pro Forma Earnings before interest, tax, depreciation and amortization ("EBITDA") and Pro Forma EBITDA Margin

The following table sets forth our Pro Forma EBITDA and Pro Forma EBITDA Margin, including a reconciliation of each such financial measure to our Pro Forma Condensed Consolidated Financial Information for Fiscal 2023.

(₹ in million, except for percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Finance costs (B)	365.59
Add: Total tax expense (C)	398.83
Add: Depreciation and amortization expense (D)	197.13
Pro Forma EBITDA (E=A+B+C+D)	**1,972.75**
Revenue from operations (F)	**11,185.96**
Pro Forma EBITDA Margin (G=E/F)	**17.64%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

3. Pro Forma Net Debt

The following table sets forth our Pro Forma Net Debt for Fiscal 2023, on a pro forma condensed basis. Pro Forma Net Debt is calculated as Total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings (2)	1,514.15
Total borrowings (A = (1) + (2))	**4,305.96**
Cash and cash equivalents (3)	132.94
Bank balances other than cash and cash equivalents (4)	393.63
Pro Forma Net Debt (B = A - (3 + 4))	**3,779.39**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

4. Pro Forma Debt-Equity Ratio and Pro Forma Net Debt/EBITDA Ratio

The following table sets forth our Pro Forma Debt-Equity Ratio and Pro Forma Net Debt/EBITDA Ratio, including a reconciliation of each such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of (i) non-current borrowings, and (ii) current borrowings. Pro Forma Net Debt/EBITDA Ratio is calculated as Pro Forma Net Debt divided by Pro Forma EBITDA. Pro Forma Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings(2)	1,514.15
Total borrowings (A=(1)+(2))	**4,305.96**
Total equity (B)	**3,255.82**
Pro Forma Debt-Equity Ratio (C=A/B)	**1.32**
Profit for the year (D)	1,011.20
Debt/Profit for the year (A/D)	**4.26**
Cash and cash equivalents (3)	132.94
Bank balances other than cash and cash equivalents (4)	393.63
Pro Forma Net Debt (E=A-(3+4))	**3,779.39**
Pro Forma EBITDA (F)	**1,972.75**
Pro Forma Net Debt / EBITDA Ratio (G=E/F)	**1.92**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

5. Pro Forma Return on Equity

The following table sets forth our Pro Forma Return on Equity, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Equity is calculated as profit for the year divided by total equity.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Total equity (B)	3,255.82
Pro Forma Return on Equity (C=A/B)	**31.06%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

6. Pro Forma Profit After Tax ("PAT") Margin

The following table sets forth our Pro Forma PAT Margin, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma PAT Margin is calculated as profit for the year divided by revenue from operations.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Revenue from operations (B)	11,185.96
Pro Forma PAT Margin (C=A/B)	**9.04%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

7. Pro Forma Capital Employed

The following table sets forth our Pro Forma Capital Employed for Fiscal 2023, on pro forma consolidated basis. Pro Forma Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million)

Particulars	Year ended March 31, 2023
Total assets (1)	10,187.15

Particulars	Year ended March 31, 2023
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56
Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15
Total borrowings (6)=(4)+(5)	**4,305.96**
Pro Forma Capital Employed ((7) = (1) – (2) – (3.1) – (3.2)+(6))	**7,385.29**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

8. Pro Forma Return on Capital Employed

The following table sets forth our Pro Forma Return on Capital Employed, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Capital Employed is calculated as Pro Forma EBIT divided by Pro Forma Capital Employed. Pro Forma EBIT is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Pro Forma Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Add: Total tax expense (B)	398.83
Add: Finance costs (C)	365.59
Pro Forma EBIT (D=A+B+C)	**1,775.62**
Total assets (1)	10,187.15
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56
Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15
Total borrowings (6)=(4)+(5)	**4,305.96**
Pro Forma Capital Employed (E= (1) – (2) – (3.1) – (3.2) + (6)))	**7,385.29**
Pro Forma Return on Capital Employed (F=D/E)	**24.04%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

9. Pro Forma Fixed Asset Turnover Ratio

The following table sets forth our Pro Forma Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work in progress as at the end of the year.

(in ₹ million, except ratios)

Particulars	Year ended March 31, 2023
Property Plant and Equipment (A)	2,916.04
Other intangible assets (B)	9.56
Capital work in progress (C)	217.44
Revenue from operations (D)	11,185.96
Pro Forma Fixed Asset Turnover Ratio (E=D/(A+B+C))	**3.56**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

10. Pro Forma Net Worth

The following table sets forth our Pro Forma Net Worth, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Net Worth is calculated as the sum of equity share capital and other equity less capital reserves.

(in ₹ million)

Particulars	Year ended March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserve (C)	491.20

Particulars	Year ended March 31, 2023
Pro Forma Net Worth (D=A+B-C)	**2,764.62**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

11. Pro Forma Return on Net Worth

The following table sets forth our Pro Forma Return on Net Worth, including a reconciliation of such financial measure to the Pro Forma Condensed Consolidated Financial Information for Fiscal 2023. Pro Forma Return on Net Worth is calculated as profit for the year divided by Pro Forma Net Worth as at the end of the year.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2023
Profit for the year (A)	1,011.20
Pro Forma Net Worth (B)	2,764.62
Pro Forma Return on Net Worth (C=A/B)	**36.58%**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

12. Pro Forma Net Asset Value per Equity Share

The following table sets forth our Pro Forma Net worth for Fiscal 2023, on a pro forma consolidated basis. Pro Forma Net Asset Value per Equity Share is calculated as Pro Forma Net Worth divided by number of equity shares outstanding as at the end of the year.

(in ₹ million, except stated otherwise)

Particulars	Year ended March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserve (C)	491.20
Pro Forma Net Worth (D=A+B-C)	**2,764.62**
Number of Equity shares outstanding as at the year end[(1)]	48,000,000
Pro Forma Net Asset Value per Equity Share (in ₹)	**57.60**

Source: Derived from the Pro Forma Condensed Consolidated Financial Information

(1) *Pursuant to a Board resolution dated April 1, 2022 and Shareholders' resolution at the Company's EGM dated April 4, 2022, equity shares of face value of ₹100 each of the Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued, subscribed and paid up share capital of the Company comprising 1,200,000 equity shares of face value of ₹100 each were sub-divided into 12,000,000 equity shares of face value of ₹10 each. Also, subsequent to December 31, 2021, the Shareholders of the Company in its EGM held on April 4, 2022 approved the issue of bonus shares in the ratio 3:1 per fully paid equity share having face value of ₹10 each to the existing equity Shareholders of the Company in accordance with the provisions of the Companies Act, 2013 whose name appeared in the register of member/beneficial ownership as on record date of April 22, 2022. The number of equity shares outstanding as at the period/year end have been presented to reflect the adjustments for the sub-division of equity shares and the bonus issue retrospectively for the computation of NAV*

Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e., Ind AS 24 'Related Party Disclosures' for the three months ended June 30, 2023, and Fiscals 2023, 2022 and 2021, read with the SEBI ICDR Regulations, and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 42 – Related parties*" on page 311.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of June 30, 2023, derived from our Restated Consolidated Financial Information:

(in ₹ million)

Particulars	Pre-Offer as at June 30, 2023	As adjusted for the Offer*
Borrowings		
Non-current borrowings (I)	2,956.83	[●]
Current borrowings (II)	1,462.17	[●]
Total borrowings (III = I + II)	**4,419.00**	**[●]**
Equity		
Equity share capital (IV)	480.00	[●]
Other equity (V)	3,175.06	[●]
Total equity (VI = IV + V)	**3,655.06**	**[●]**
Total borrowings / equity (VII = III / VI)	**1.21**	**[●]**

** The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence has not been furnished. To be updated upon finalization of the Offer Price.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey management's perspective on our financial condition and results of operations for Fiscals 2021, 2022 and 2023, and the three-month period ended June 30, 2023. We have included in this section a discussion of our financial statements on a restated consolidated basis, as well as on a proforma consolidated basis. This discussion in this section is based on, and should be read in conjunction with, the Restated Consolidated Financial Information (including the schedules, notes and significant accounting policies thereto), included in "Restated Consolidated Financial Information" on page 260 and our Proforma Condensed Consolidated Financial Information included in the section titled "Proforma Condensed Consolidated Financial Information" on page 331.

The Restated Consolidated Financial Information have been derived from the audited Ind AS financial statements of the Company as at and for the year ended March 31, 2021, the audited Ind AS consolidated financial statements of the Company as at and for the years ended March 31, 2022 and 2023, and the audited special purpose interim Ind AS consolidated financial statements as at and for the three-month period ended June 30, 2023, and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI. Our financial statements are prepared in accordance with Ind AS, notified under the Companies (Indian Accounting Standards) Rules, 2015, and read with Section 133 of the Companies Act, 2013 to the extent applicable. Ind AS differs in certain material respects from IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS accounting policies. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial information to IFRS or U.S. GAAP. Any reliance by persons not familiar with Ind AS accounting policies on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Please also see "Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the Restated Consolidated Financial Information and Pro Forma Condensed Consolidated Financial Information prepared and presented in accordance with Ind-AS contained in this Red Herring Prospectus.", on page 67.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the 12 months ended March 31 of that year. All references to a year are to that Fiscal Year, unless otherwise noted.

Unless otherwise indicated or the context requires otherwise, (i) the financial information for Fiscal 2021, Fiscal 2022 and Fiscal 2023, and the three-month period ended June 30, 2023, included herein have been derived from the restated balance sheet as at March 31, 2021, and the restated consolidated balance sheets as at March 31, 2022, March 31, 2023 and June 30, 2023, and restated statements of profit and loss, cash flows and changes in equity for Fiscal 2021, and the restated consolidated statements of profit and loss, cash flows and changes in equity for Fiscal 2022 and Fiscal 2023, and the three-month period ended June 30, 2023, of the Company, together with the statement of significant accounting policies, and other explanatory information thereon, and (ii) the proforma condensed consolidated financial information for Fiscal 2023 included herein have been prepared by our management and reviewed by our statutory auditors.

*Our Company acquired (i) the assets and liabilities of Innova Captab, a partnership firm (the "**Innova Partnership**"), through a slump sale effective as of March 31, 2021, (ii) Univentis Medicare Limited ("**UML**") effective as of December 31, 2021, and (iii) Sharon Bio-Medicine Limited ("**Sharon**") effective as of June 30, 2023. The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for the years ended on March 31, 2022 and March 31, 2023, and the three months ended June 30, 2023. The Restated Consolidated Financial Information does not include financial information of the Innova Partnership, UML or Sharon prior to their respective acquisitions by our Company or of the Univentis Foundation prior to it becoming a Subsidiary of our Company. The assets and liabilities of the Innova Partnership are included in the restated consolidated balance sheet as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023; however, the profit and loss and cash flows of Innova Partnership are not consolidated for Fiscal 2021 and therefore are not included in the Restated Consolidated Financial Information for Fiscal 2021. The assets and liabilities of UML are included in the restated consolidated balance sheet as at March 31, 2022; however, the profit and loss and cash flows of UML are not consolidated for any period prior to December 31, 2021. Therefore, the profit and loss and cashflows of UML are not included in the Restated Consolidated Financial Information for Fiscal 2021 and are included in the Restated Consolidated*

Financial Information for Fiscal 2022 for the period beginning on January 1, 2022 and ended on March 31, 2023. The Restated Consolidated Financial Information does not include financial information for Sharon prior to its acquisition by our Company, except that the assets and liabilities of Sharon are included in the restated consolidated balance sheet as at June 30, 2023. Accordingly, our results of operations and financial condition as set forth in the Restated Consolidated Financial Information are not comparable on a period-to-period basis.

The Proforma Condensed Consolidated Financial Information has been compiled by the Company's management to illustrate the impact of the acquisition of Sharon on the Group's financial position as at March 31, 2023 and the Group's financial performance for the year ended March 31, 2023, as if the acquisition of Sharon had taken place at March 31, 2023 and April 1, 2022, respectively.

Some of the information contained in this section, including information with respect to our strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "Forward-Looking Statements" on page 24 for a discussion of the risks and uncertainties related to those statements and also the sections titled "Risk Factors" and "Our Business" on pages 33 and 181, respectively, for a discussion of certain factors that may affect our business, results of operations and financial condition. The actual results of the Company may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, industry and market data used in this section has been derived from the CRISIL Report prepared and released by CRISIL Research and commissioned and paid for by us and prepared exclusively in connection with the Offer. We commissioned the CRISIL Report on February 12, 2022 and updated as of October 2023. The CRISIL Report is available at the following web-link: www.innovacaptab.com/investor-relations. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year, refers to such information for the relevant financial year. For further details and risks in relation to commissioned reports, see "Risk Factors — We commissioned and purchased the CRISIL Report. This Red Herring Prospectus contains information from the CRISIL Report and such information is subject to inherent risks and limitations." on page 65. Also, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and market data" on page 21.

Overview

We are an integrated pharmaceutical company in India with a presence across the pharmaceuticals value chain including research and development, manufacturing, drug distribution and marketing and exports. Our business includes (i) a contract development and manufacturing organization ("**CDMO**") business providing manufacturing services to Indian pharmaceutical companies, (ii) a domestic branded generics business and (iii) an international branded generics business. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed. In Fiscal 2023 and in the three months ended June 30, 2023, we had 182 and 133 CDMO customers, respectively. Fourteen of the top fifteen Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2021 have been a part of our customer base. (*Source: CRISIL Report, October 2023*). In Fiscal 2023 and in the three months ended June 30, 2023, we manufactured a diverse generics product portfolio of over 600 products and market them under our own brands in the Indian market through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies. In addition, during Fiscal 2023 and the three months ended June 30, 2023, we exported branded generic products to 20 and 16 countries, respectively. Revenue from operations as per our Restated Consolidated Financial Information has grown at a 50.19% CAGR from ₹4,106.62 million in Fiscal 2021 to ₹9,263.80 in Fiscal 2023. Revenue from operations as per our Restated Consolidated Financial Information was ₹2,332.43 million in the three months ended June 30, 2023. Revenue from operations on a pro forma consolidated basis was ₹11,185.96 million in Fiscal 2023.

The foundation of our Company is our in-house research and development ("**R&D**"). Our R&D operations help us attract and retain CDMO customers and grow our branded generic portfolio. We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh, which is recognized by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). In addition, we are looking to establish a new R&D center in Panchkula, Haryana. Our manufacturing is undertaken at our two manufacturing facilities in Baddi, Himachal Pradesh along with a new facility we are planning in Jammu. See "- *Expansion of our manufacturing capacities*" beginning on page 194 of this Red Herring Prospectus. Our facilities have good manufacturing practices ("**GMP**") certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the World Health Organization (the "**WHO**"), and the certificate of GMP compliance from Food, Medicine and Health Care Administration and Control Authority, Ethiopia.

Our CDMO services and products include commercial large-scale manufacturing of generic products. We also enter into loan license agreements with our customers. Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups and injectables, as well as more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology. Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products that are in all the top ten therapeutic areas by sales in the Indian formulation market in Fiscal 2021 as identified by CRISIL Research. (*Source: CRISIL Report, October 2023*). We manufacture products across some of the key therapeutic areas identified by CRISIL Research, including cephalosporins, proton pump inhibitors, anticholinergic and heparin NSAIDs, analgesics and antipyretic, anticold and antiallergic, antiemetic, antidiabetic, antispasmodic, antifibrinolytic, cardiovascular, antioxidant and vitamins, antihyperuricemia and antigout, fluroquinolone and macrolide, nootropics and neurotronic/neurotrophic, antiulcerative, antimalarial anxiolytic, anticonvulsant and antipsychotic, bladder and prostate disorders, antifungal, anthelmintic and antiviral anticholinergic and anti-asthmatic and bronchodilator and erectile dysfunction. (*Source: CRISIL Report, October 2023*). Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis. Our number of CDMO products sold in the three months ended June 30, 2023 was 1,088 on a restated consolidated basis.

In our CDMO business, we have developed relationships across the Indian pharmaceutical industry. Some of our key customers include Cipla Limited, Glenmark Pharmaceuticals Limited, Wockhardt Limited, Corona Remedies Private Limited, Emcure Pharmaceuticals Limited, Lupin Limited, Intas Pharmaceuticals Limited, Leeford Healthcare Limited, Medley Pharmaceuticals Limited, Cachet Pharmaceuticals Limited, Eris Healthcare Private Limited, Indoco Remedies Limited, J. B. Chemicals and Pharmaceuticals Limited, Oaknet Healthcare Private Limited, Zuventus Healthcare Limited, Ajanta Pharma Limited, Mankind Pharma Limited and Smart Laboratories Private Limited. Revenue from our CDMO business on a restated consolidated basis has grown at a 35.36% CAGR from ₹3,708.71 million in Fiscal 2021 to ₹6,795.56 million in Fiscal 2023. Revenue from our CDMO business on a restated consolidated basis was ₹1,662.10 million in the three months ended June 30, 2023. Revenue from our CDMO business on a pro forma consolidated basis was ₹6,795.56 million in Fiscal 2023.

Our branded generics business consists of the development, manufacture and distribution of generic formulation products, which are marketed and distributed in India under our own brand names through online and offline channels. Our branded generic products are generic medicines for which the patents have expired, that are sold directly to our distributors, stockists and retailers. We have developed a diversified branded generics product portfolio including tablets, capsules, dry syrups, dry powder injection, ointments and liquid orals. Our products cover the following therapeutic areas:

Cephalosporins	Proton Pump Inhibitor	Anticholinergic and Heparin
NSAIDs, Analgesics and Antipyretic	Anticold and Antiallergic	Antiemetic
Antidiabetic	Antispasmodic	Antifibrinolytic
Cardiovascular	Antioxidant and Vitamins	Antihyperuricemia and Antigout
Fluoroquinolone and Macrolide	Nootropics and Neurotonics / Neurotrophics	Antiulcerative
Antimalarial	Anxiolytic, Anticonvulsant and Antipsychotic	Bladder and Prostate Disorder
Antifungal, anthelmintic and Antiviral	Anticholinergic, Anti-Asthmatic and bronchodilator	Erectile Dysfunction

We sell our domestic branded generic products through our pan-Indian network of distributors, stockists and pharmacies. Our generic drug products are also available online through various e-commerce pharmacy sites. During Fiscal 2021, Fiscal 2022 and Fiscal 2023 and during the three months ended June 30, 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million, ₹1,661.61 million and ₹422.53 million, respectively. Revenue from our domestic branded generic business on a pro forma consolidated basis was ₹1,661.61 million in Fiscal 2023.

We also have an international branded generic product business focused on exports to emerging and semi-regulated international markets. We are expanding our international branded generics business to regulated markets like the United Kingdom, and Canada. In Fiscal 2023 and in the three months ended June 30, 2023, we exported branded generics to 20 and 16 countries, respectively. As on October 31, 2023, we have 200 active product registrations (and 20 registrations subject to renewal) with international authorities and 218 fresh registration applications in process with international authorities. Revenue from our international branded generic business on a restated consolidated basis has grown at a 42.38% CAGR from ₹397.91 million in Fiscal 2021 to ₹806.63 million in Fiscal 2023. Revenue from our international branded generic business on a restated consolidated basis was ₹247.80 million in the three months ended June 30, 2023. Revenue from our international branded generic business on a pro forma consolidated basis was ₹806.63 million in Fiscal 2023.

As at October 31, 2023, we employed a team of 29 scientists and engineers at our R&D laboratory. Our team includes professionals with up to 27 years of experience. Our R&D laboratory is equipped with a suite of equipment for the development of solid oral and liquid dosage forms which includes rapid mixer granulator/fluid bed processor /compression machine and auto coater. In addition, our analytical lab is also equipped with high pressure liquid chromatography ("**HPLC**"), ultraviolet and dissolution apparatuses, Karl Fischer moisture analyzers, sonicators, disintegration testers, thermal stability units and fume hoods.

We have two manufacturing facilities in Baddi, Himachal Pradesh. According to CRISIL Research, we were ranked third among our peers in terms of our finished tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, October 2023).* In Fiscal 2021, Fiscal 2022 and Fiscal 2023 the total installed capacity and aggregate manufacturing capacity utilization of our Company and the Innova Partnership, on a combined basis is as follows:

(in millions, save for percentages)

Facilities	As of, and for the year ended, March 31,						As of, and for the three months ended, June 30, 2023	
	2021		2022		2023			
	Annual Installed Capacity	Capacity Utilization (%)	Annual Installed Capacity	Capacity Utilization (%)	Annual Installed Capacity	Capacity Utilization (%)	Installed Capacity	Capacity Utilization (%)
Tablets	4,239.31	66.49%	5,556.73	54.61%	8,191.59	40.68%	2,047.90	46.72%
Capsules	1,591.20	60.03%	2,048.16	52.04%	2,472.48	55.49%	618.12	65.98%
Ointments	22.81	76.11%	22.81	56.33%	22.81	63.22%	5.70	66.49%
Dry Powder Injection	60.48	59.13%	60.48	77.27%	60.48	74.01%	15.12	72.29%
Dry Syrup	53.57	30.18%	53.57	53.22%	53.57	52.77%	13.39	65.35%
Liquid Orals	70.99	37.15%	70.99	89.90%	70.99	86.70%	17.75	84.17%

** As certified by Parashar & Co. Chartered Engineer pursuant to their certificate dated September 12, 2023. For the assumptions taken in preparation of these installed capacity and capacity utilization figures, see "- Manufacturing – Capacity, Production and Capacity Utilization" beginning on page 204 of this Red Herring Prospectus.*
*** Not including Sharon for any periods.*

Our manufacturing is efficient. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded second highest fixed asset turnover ratio and returns on capital employed. *(Source: CRISIL Report, October 2023).* In addition, we are planning to construct a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections, as certified by Ravinder K. Sharma & Co. Chartered Accountants. We anticipate to benefit from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. See "*Our Business – Our Strategies*" on page 194 of this Red Herring Prospectus.

Principal Factors Affecting our Results of Operations

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense global and domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of supplies, COVID-19-related effects on global and domestic economic conditions, and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled "*Risk Factors*" on page 33.

Efficient operations and ability to maintain quality

We have two manufacturing facilities in Baddi, According to CRISIL Research, we were ranked third among our peers in terms of our finished tablet and capsule manufacturing capacity in India. *(Source: CRISIL Report, October 2023).* Our manufacturing capacity helps us to provide customers with large volumes and satisfy their requirements.

We continuously aim to improve cost-efficiencies and increase productivity in our operations through use of automation in process equipment, as well as use of software in capacity and resource planning and minimization of waste. We have also made significant investments in quality management systems, like our SAP ECC 6.0 ERP and our quality control laboratory information management system, to support 'electronic-based' systems in manufacturing and quality controls, as well as validation activities, which enable us to undertake data analytics and track product-level information across the different facilities and teams.

We believe that maintaining a high standard of quality for our products is critical to our brand and continued growth. Across our manufacturing facilities, we have put in place quality systems. The quality department of the Company is responsible for ensuring safety, identity, strength, purity, and quality for each product manufactured by effective implementation of pharmaceutical quality system processes, as well as their sequences, linkages and interdependencies. We seek to maintain high service standards by sourcing most of our APIs and other materials from a small core of suppliers with reputations for high quality products. Using the same third-party suppliers helps us ensure increased standardization, speed of implementation and integration. Our suppliers are selected based on quality, price, cost effectiveness, company history, service levels and adequate staff with sufficient knowledge. Our quality check involves process performance, product quality monitoring system, corrective action, preventive action system and change management system. Many of our key customers have audited and approved our facilities and manufacturing processes in the past, which ensures that the regulator and our customers are able to confirm the continuance of quality of our facility and processes. In the past three fiscal years and the three months ended June 30, 2023, our facilities were audited 27 times and we had 83 customers' audits. In addition, our facilities have GMP certifications from the Health and Family Welfare Department, Himachal Pradesh, in conformity with the format recommended by the WHO and Ethiopia. We believe that our GMP certifications and scale of our operations create a significant barrier to entry for new competitors.

Growth of our CDMO business

Revenue from our CDMO business on a restated consolidated basis has grown at a 35.36% CAGR from ₹3,708.71 million in Fiscal 2021 to ₹6,795.56 million in Fiscal 2023. For the three months ended June 30, 2023, revenue from our CDMO business on a restated consolidated basis was ₹1,662.10 million.

Expanding CDMO product portfolio

We have positioned our Company to benefit from the growth in the CDMO market by developing strong R&D and manufacturing operations for our customers to support their domestic sales and exports to certain markets. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed. *(Source: CRISIL Report, October 2023).*

Our CDMO services and products include research, product development and licensing and commercial large-scale manufacturing of generic products. We also enter into loan license agreements with our customers. We aim to deliver customized and efficacious generic products to our customers. Our comprehensive CDMO formulation capabilities allow us to offer our customers multiple dosage forms, including oral solids, oral liquids, dry syrups, dispersibles, as well as capabilities in more complex delivery forms such as modified and sustained release forms and tablets in capsules. We also have added products using new technologies like nano technology.

Our CDMO product portfolio spans across both acute and chronic therapeutic areas. We manufacture products that are in all the top ten therapeutic areas by sales in the Indian formulation market in Fiscal 2023 as identified by CRISIL Research. (*Source: CRISIL Report, October 2023*). We manufacture products across some of the key therapeutic areas identified by CRISIL Research, including cephalosporins, proton pump inhibitors, anticholinergic and heparin NSAIDs, analgesics and antipyretic, anticold and antiallergic, antiemetic, antidiabetic, antispasmodic, antifibrinolytic, cardiovascular, antioxidant and vitamins, antihyperuricemia and antigout, fluroquinolone and macrolide, nootropics and neutronic, antiulcerative, antimalarial anxiolytic, anticonvulsant and antipsychotic, bladder and prostate disorders, antifungal, anthelmintic and antiviral anticholinergic and anti-asthmatic and Bronchodilator. (*Source: CRISIL Report, October 2023*).

In order to maintain our market position, we are continuously expanding our product basket. Our number of CDMO products sold has grown by 131.43% from 1,066 in Fiscal 2021 to 2,467 in Fiscal 2023, on a restated consolidated basis.

Well-established relationships with our marquee and growing CDMO customer base

In our CDMO business, we have developed strong relationships across the Indian pharmaceutical industry. In Fiscal 2023 and in the three months ended June 30, 2023, we had 182 and 133 CDMO customers, respectively. Fourteen (14) of the top 15 Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2023 have been a part of our customer base. (*Source: CRISIL Report, October 2023*).

We believe the increasing use of outsourcing by pharmaceutical companies has created opportunities for us to build more strategic relationships with our customers. We typically enter into long-term CDMO agreements ranging between two to five years with our customers resulting in predictable and stable cash flows.

Our customer engagements are dependent on us delivering quality products consistently. Our potential customers may require considerable amounts of time to approve us as suppliers to ensure that all their quality controls are met and that we meet all their regulatory requirements across a variety of jurisdictions and multiple regulators. We put great importance on maintaining our relationships with our top pharmaceutical customers, building our customer base and strengthening our product basket for existing customers.

Revenue from our CDMO services and products has historically been derived from a diverse customer base. Our CDMO customer base has increased from 119 in Fiscal 2021 to 182 in Fiscal 2023, on a restated consolidated basis. The following table sets out a breakdown of revenue from our CDMO services from our top 10 and top 20 CDMO customers, as well as by length of relationship, in Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, on a restated consolidated basis.

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	Amount	**Percentage of total revenue from CDMO services**	**Amount**	**Percentage of total revenue from CDMO services**	**Amount**	**Percentage of total revenue from CDMO services**	**Amount**	**Percentage of total revenue from CDMO services**
	(₹ million)	***(%)***	***(₹ million)***	***(%)***	***(₹ million)***	***(%)***	***(₹ million)***	***(%)***
Revenue from top 10 CDMO customers	2,022.01	54.52	3,341.18	48.66	3,825.40	56.29	1,136.63	68.39
Revenue from top 20 CDMO customers	2,380.93	64.20	4,191.22	61.03	4,758.06	70.02	1,366.41	82.21
Revenue from CDMO customers with relationship of at least 10 years(1)	1,527.67	41.19	2,441.12	35.55	2,388.29	35.14	593.91	35.73
Revenue from CDMO customers with relationship of at least 5 and up to 10 years(1)	1,848.34	49.84	3,586.03	52.22	3,331.72	49.03	888.30	53.45
Revenue from CDMO customers with relationship of under 5 years(1)	332.70	8.97	839.79	12.23	1,075.55	15.83	179.89	10.82
Total revenue from CDMO customers	**3,708.71**	**100.00**	**6,866.94**	**100.00**	**6,795.56**	**100.00**	**1,662.10**	**100.00**

(2) CDMO relationship period is measured by number of years in which an invoiced order has been placed with us. The base date for the number of years of a relationship has been taken as on March 31, 2023.

Growth of domestic branded generics and export businesses

Growth in sales of our products and services has historically been the key growth driver for our business. Our key strategies involve, among other things, driving growth of our domestic branded generics and export business through the development and commercialization of new pharmaceutical products, the continued expansion of our domestic sales and distribution network and export markets, and the continued investment in our research and product development activities.

As of October 31, 2023, we market our domestic branded generics business through a developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies across India. Certain of our generic drug products are also available online through various e-commerce pharmacy sites. During Fiscal 2021, Fiscal 2022 and Fiscal 2023 and during the three months ended June 30, 2023, revenue from our domestic branded generic business on a restated consolidated basis was nil, ₹370.51 million, ₹1,661.61 million and ₹422.53 million, respectively. Revenue from our domestic branded generic business in Fiscal 2023 on a pro forma consolidated basis was ₹1,661.61 million. As of October 31, 2023, we had a sales and marketing team of over 296 marketing representatives tasked with expanding our distributor, stockist and retailer relationships and support our new generic product launches.

Our international business has also been driving growth in the last three Fiscals and in the three months ended June 30, 2023. Revenue from our international branded generic business on a restated consolidated basis has grown at a 42.38% CAGR from ₹397.91 million in Fiscal 2021 to ₹806.63 million in Fiscal 2023. Revenue from our international branded generic business in the three months ended June 30, 2023 on a restated consolidated basis was ₹247.80 million. While we have focused our international branded generics business on emerging and semi-regulated international markets, we are now expanding our business to developed markets, such as the United Kingdom and Canada. We aim to continue expanding our range of generic products to meet each country's particular market needs. In Fiscal 2023 and in the three months ended June 30, 2023, we exported our branded generic products to 20 and 16 countries, respectively. As on October 31, 2023, we had 200 active product registrations (and 20 registrations subject to renewal) with international authorities and 218 registration applications in process with international authorities. As of October 31, 2023, we had a total sales and marketing team of six personnel focussed on our international business and plan on increasing marketing efforts to pharmaceutical companies in our target market countries.

R&D is critical to maintaining our competitive position and addressing changing consumer trends and industry developments. Our R&D operations have played a key role in the expansion of our commercialized branded generics and export product portfolio, enabling us to target and enter regulated markets. Apart from India, our R&D team is working to develop and register products across the globe, such as the European Union, Latin America, Africa and ASEAN countries. As a result, our business and financial and operating results have been and will be affected by our ability to continue to develop and commercialize new products and improve our research and product development capabilities.

We have a dedicated R&D laboratory and pilot equipment located at our manufacturing facility in Baddi, Himachal Pradesh. In addition, we are looking to establish a new R&D center in Panchkula. Our R&D laboratory is equipped with the entire suite of necessary equipment for the development of solid oral and liquid dosage forms. The development and commercialization processes are both time-consuming and costly and involve a high degree of business risk. Our profitability therefore largely depends on the success of our R&D activities and ability to commercialize new products.

The product candidates that we seek to develop may fail to meet safety, efficacy or other standards during the R&D process. We may experience delays in, or be unable to, receive approvals by regulatory authorities for our newly developed pharmaceutical products. Moreover, there can be no assurance that we will be able to successfully commercialize the pharmaceutical products that we develop in or outside of India. Due to the time it takes to develop a new pharmaceutical product, the competitive landscape for certain pharmaceutical products we develop may change or differ significantly from what we had anticipated, and our products may not hold the competitive advantages in pricing or efficacy that we had anticipated during development. Consequently, our new pharmaceutical products may not yield an appropriate return on our related research and development expenses. In the event we fail to successfully develop and commercialize new pharmaceutical products, our business prospects and results of operations could be materially and adversely affected. For further information, see the sections "*Our Business – Research and Development*" and "*Risk Factors – We are dependent on our R&D*

activities for our future success. If we do not successfully develop new products or continue our generic product portfolio expansion in a timely and cost-effective manner, our business, results of operations and financial condition may be adversely affected." on pages 203 and 47, respectively.

Cost of raw materials and other inputs

Our cost of materials consumed makes up a large portion of our operating expenses. In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, cost of materials consumed amounted to ₹3,014.60 million, ₹5,736.37 million, ₹6,466.06 million and ₹1,663.98 million, respectively, or 73.16%, 71.40%, 69.11% and 71.00% of our total income, respectively, as per the Restated Consolidated Financial Information. In Fiscal 2023, cost of materials consumed amounted to ₹7,377.66 million, or 62.18% of our total income, as per the Proforma Condensed Consolidated Financial Information.

We primarily source our APIs and other key materials used in manufacturing process, such as excipients, from third party suppliers in India. We also source certain APIs and raw materials from third party international suppliers, including vendors in China and the Netherlands. We source most of our APIs and other materials from a small core of suppliers with reputations for high quality products, as we aim to maintain high service standards. We believe that using the same third-party suppliers helps us ensure increased standardization, speed of implementation and integration. Our suppliers are selected based on quality, price, cost effectiveness, company history, service levels and delivery capability.

We usually do not enter into long-term supply contracts with our APIs and other raw material suppliers, and typically source raw materials on a purchase order or contract basis. Prices are negotiated for each purchase order. We are generally able to pass on all raw material price increases to our customers, as we place orders for raw materials only after receiving customer orders and, therefore, are able to build in the raw materials costs in our pricing model. Moreover, we seek to bulk purchase raw materials based on multiple customer orders received in order to be able to better negotiate volume discounts for our raw materials.

While we generally have more than one supplier for each raw material, we face the risk that suppliers may be unable to provide APIs and raw materials in the quantities we ordered or at all or that the market price of APIs and raw materials may increase without warning that may be caused by a variety of factors, such as commodity market fluctuations, the quality and availability of raw materials, currency fluctuations, consumer demand, and changes in government policies and regulatory sanctions. For Fiscal 2023 and the three months ended June 30, 2023, four and two of our suppliers each accounted for 5% or more of our total raw material purchases on a consolidated basis for the period. Such four and two suppliers, in aggregate, accounted for 28.99% and 20.42% of our total raw material purchases for Fiscal 2023 and the three months ended June 30, 2023, respectively, as per the Restated Consolidated Financial Information. On a proforma consolidated basis, four of our suppliers each accounted for 5% or more of our total raw material purchases for Fiscal 2023. Such four suppliers, in aggregate, accounted for 25.55% of our total raw material purchases for Fiscal 2023, as per the Proforma Condensed Consolidated Financial Information. In the event that we experience any disruption to, or cessation of, supplies from any of these three suppliers for any reason, we may not be able to procure raw materials of similar quality or adequate quantity from alternative suppliers, which could adversely affect our ability to manufacture certain products. Where certain raw materials may not be available at all or at commercially acceptable prices, we may be unable to manufacture the products in which such APIs and raw materials are components at all until such APIs and raw materials become available again. Increases in prices of APIs and raw materials, or the unavailability thereof, could have a material adverse effect on our business, financial condition and results of operations. See, "*Risk Factors - Any shortfall in the supply of our raw materials or an increase in our raw material costs, or other input costs, may adversely affect the pricing and supply of our products and adversely affect our business, results of operations and financial condition.*" on page 43.

Industry competition and consolidation

The pharmaceutical industry is highly competitive, and the markets in which we compete and intend to compete are undergoing, and are expected to continue to undergo, rapid and significant change. As we are engaged in three principal business lines, our competitors differ in each such market.

In the CDMO industry, we compete to provide services to pharmaceutical companies. In Fiscal 2022, among Indian formulation CDMO players considered in the CRISIL Report, we recorded the third highest operating revenue, the second highest operating profit margin, the third highest net profit margin and the second highest return on capital employed (*Source: CRISIL Report, October 2023*). In Fiscal 2023 and in the three months ended

June 30, 2023, we had 182 and 133 CDMO customers, respectively. Fourteen (14) of the top fifteen Indian pharmaceutical companies that CRISIL Research identified as the largest players in the domestic formulation market in Fiscal 2023 have been a part of our customer base. (*Source: CRISIL Report, October 2023*). Our competition in the CDMO services and products includes full-service pharmaceutical outsourcing or CDMO companies; contract manufacturers focusing on a limited number of dosage forms; contract manufacturers providing multiple dosage forms; and large pharmaceutical companies offering third-party manufacturing services to fill their excess capacity. The domestic formulations CDMO industry is highly fragmented in terms of both number of manufacturers and products, with 300 to 400 organised players and approximately 15,000 unorganised players. (*Source: CRISIL Report, October 2023*). Contract manufacturing is also characterized by high fragmentation and competition, with a large number of organized and unorganized players. *(Source: CRISIL Report, October 2023).* As a result, the bargaining power of contract manufacturing players is lowered owing to high competition. The key players in the domestic formulations CDMO segment include Akums Drugs and Pharmaceuticals, Windlas Biotech Limited, Synokem Pharmaceuticals, Theon Pharmaceuticals, and Tirupati Medicare. *(Source: CRISIL Report, October 2023).* In addition, in Europe and Asia, there is a large number of privately owned, dedicated outsourcing companies that serve only their local or national markets. (*Source: CRISIL Report, October 2023*). Also, large pharmaceutical companies have been seeking to divest portions of their manufacturing capacity, and any such divested businesses may increase competition in the CDMO industry. *(Source: CRISIL Report, October 2023).* We compete in the CDMO space primarily on the basis of product portfolio (range of existing product portfolio and novelty of new offerings), security of supply (quality, regulatory compliance and financial stability), service (delivery and manufacturing flexibility) and cost-effective manufacturing. Competition may, among other things, result in reduced demand for our CDMO products, which could have a material adverse effect on our business, results of operations and financial condition.

For our domestic branded generics business, we compete with companies in the Indian market based on therapeutic product categories, and within each category, upon dosage strengths and drug delivery. Many of the pharmaceutical players are adding generic products to their portfolio on account of the rise in demand for generics from global pharmaceutical markets. *(Source: CRISIL Report, October 2023).* We rely on our expanding team of sales and marketing team (287 marketing representatives as of October 31, 2023) and pan-Indian developed network of approximately 5,000 distributors and stockists and over 150,000 retail pharmacies, as at October 31, 2023, to compete in the domestic branded generics business.

In international markets, we compete with local companies, multinational corporations and companies from other emerging markets that are engaged in manufacturing and marketing generic pharmaceuticals. In addition, as we grow our international business, we expect competition from major international generic manufacturers.

In addition, our operations involving a strong and growing manufacturing capability, developed CDMO business and growing sales and marketing teams enable us to compete more effectively in the domestic branded generics and our international branded generics spaces, as we are not simply trading companies (as some of our competitors are) and have the flexibility and capability of responding to the evolving requirements of customers in our target markets more effectively.

We expect competition to intensify as technological advances and consolidations continue. Some of our competitors may have substantially greater financial, marketing, technical or other resources than we do. Greater financial, marketing, technical or other resources may allow our competitors to respond to changes in market demand faster with new, alternative or emerging technologies, which could render our products uncompetitive or obsolete. We also face price competition generally as other contract and generic manufacturers enter the market. Any such price competition may be especially pronounced where our competitors source their products from jurisdictions where production costs may be lower (sometimes significantly) than our production costs. Any of these factors, in turn, could result in reductions in our sales prices and gross margin. If our competitors gain significant market share at our expense, our business, results of operations and financial condition could be adversely affected. Changes in the nature or extent of our customer requirements may render our service and product offerings obsolete or non-competitive, which could have a material adverse effect on our business, results of operations and financial condition. For further information, see the sections "*Our Business – Competition*" on page 212 and "*Risk Factors – 5. We operate in a market that is highly competitive. We compete to provide outsourced pharmaceutical manufacturing services or CDMO services and products, particularly for formulations, to pharmaceutical companies in Indian and other jurisdictions. In addition, our branded generic products compete with generic products of other suppliers in Indian and other jurisdictions.*" on page 34.

Capital expenditure

We require substantial capital to maintain our existing facilities, to expand our existing facilities, to acquire new sites, and to construct new facilities. During Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, we incurred capital expenditure (which is defined as the additions to property, plant and equipment during the period / year, plus additions to other intangible assets during the period / year, less the balance of capital work in progress at the beginning of the period / year plus balance of capital work in progress at the end of the period / year) on a restated consolidated basis of ₹110.63 million, ₹768.24 million, ₹260.99 million and ₹143.90 million, respectively. A significant amount of our capital expenditure was aimed at constructing manufacturing and other facilities, increasing our manufacturing capacities and diversifying our product base.

As of October 31, 2023, we operate two manufacturing facilities in Baddi, Himachal Pradesh. Our Unit 1 facility is a 26,445 sq.ft. (constructed area) facility commissioned in October 2006, which produces tablets, capsules and ointments. Our Unit 2 facility consists of (i) Block C, a 79,140 sq.ft. (constructed area) facility commissioned in March 2010, which produces tablets, capsules, dry syrups and dry powder injections, and (ii) Block G, a 188,480 sq.ft. (constructed area) facility commissioned in July 2017, which produces tablets, capsules, dry syrups and liquid orals.

We are constructing a new 240,916 sq. ft facility in Jammu, which will include tablets, capsules, dry syrups and injections. The estimated total project cost for this new manufacturing facility at Jammu is ₹3,551.72 million, as certified by Ravinder K. Sharma & Co. Chartered Accountants. We have acquired the necessary land to build this new facility. We anticipate benefitting from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through this upcoming manufacturing facility in Jammu. Under this scheme, the GoI offers companies registered under the scheme a capital investment incentive, a capital interest incentive, a goods and service tax incentive and a working capital interest incentive.

As on November 15, 2023, we have made the following progress on the construction of our new Jammu Facility: (i) land has been acquired and possession has been taken; (ii) construction has commenced and is ongoing; (iii) purchase orders have been placed for plant, equipment and other fixed assets, both imported and domestic, amounting to ₹2,946.97 million; and (iv) an amount of ₹2,498.65 million has already been incurred on the project, which has been funded through a combination of internal accruals and bank facilities.

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company and could adversely impact our Equity Share price.

Foreign exchange rate risk

Our financial statements are prepared in Indian Rupees. However, as an increasingly export-oriented business, our sales from exports and a portion of our raw materials expenditures are denominated in foreign currencies, mostly the U.S. Dollar. Accordingly, we have currency exposures relating to buying, selling and financing in currencies other than in Indian Rupees, particularly the U.S. Dollar. For Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023, 9.69%, 9.59%, 8.71%, and 10.62%, respectively, of revenue from operations was attributed to export sales as per the Restated Consolidated Financial Information. For Fiscal 2023, 7.21% of our revenue from operations were attributed to export sales on a proforma consolidated basis. Imports of our raw materials accounted for 13.68%, 13.64%, 8.20%, and 1.15% of our total raw materials purchases in Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023, respectively, on a restated consolidated basis. Imports of our raw materials accounted for 9.09% of our total raw materials purchases in Fiscal 2023 on a proforma consolidated basis. We do not enter into any hedging activities for our foreign currency positions. Accordingly, we are affected by fluctuations in exchange rates among the U.S. Dollar, Indian Rupee and other currencies. In Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023, we recorded exchange gains/(losses) on foreign exchange fluctuation (net) of ₹4.47 million, ₹16.98 million, ₹32.28 million and ₹2.58 million, respectively, as per the Restated Consolidated Financial Information, due to these fluctuations in foreign currency. In Fiscal 2023, we recorded exchange gains on foreign exchange fluctuation (net) of ₹50.63 million on a proforma consolidated basis, due to these fluctuations in foreign currency. There can be no assurance that we will continue to record exchange gains from foreign exchange fluctuations or any hedging measures we take will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or other foreign currencies. For more information about our foreign currency risk, please see "*– Quantitative and Qualitative Analysis of Market Risks – Market Risk – Currency Risk*" on page 417.

Tax and other statutory incentives

We expect to benefit from certain tax regulations, incentives and export promotion schemes that will accord favourable treatment to certain of our manufacturing facilities. The Government of India has introduced a New Central Sector Scheme for Industrial Development of Jammu and Kashmir (the "NCS Scheme"). The NCS Scheme is applicable for any eligible industrial (manufacturing) entity or eligible service sector enterprise other than those run departmentally by Government, which is a registered business enterprise under the Goods and Service Tax. The NCS Scheme runs through 2037 at a total cost of ₹284 billion. (*Source: CRISIL Report, October 2023*).

The NCS Scheme offers four incentives, namely the (i) capital investment incentive (applicable to new units with investment of not more than ₹500 million in plant and machinery (for the manufacturing sector) or building and other durable physical assets (for the services sector), (ii) capital interest subvention (applicable to loans in the principal amount of up to ₹5 billion for purposes of investment in eligible plant and machinery, (iii) Goods and Service Tax Linked Incentive ("GSTLI") (applicable on eligible investment in plant and machinery), and (iv) working capital interest subvention (applicable on certain qualifying working capital loans).

We anticipate benefiting from the New Central Sector Scheme for Industrial Development of Jammu & Kashmir through our upcoming manufacturing facility in Jammu. These tax benefits and incentives will contribute to our results of operations and cash flows and any change in tax benefits and incentives available to us would likely affect our probability.

Strategic consolidation exercise

Part of the Company's growth strategy is through strategic acquisitions. Effective as of March 31, 2021, the Company acquired the assets and liabilities of the business of Innova Partnership as a going concern through a slump sale. The total consideration paid by the Company for the business of Innova Partnership was ₹542.50 million. Effective as of December 31, 2021, the Company acquired UML as a wholly-owned subsidiary for a total purchase consideration of ₹600.00 million. We acquired the assets and liabilities of the Innova Partnership and acquired UML to take advantage of the manufacturing and economic synergies with our Company. Effective as of June 30, 2023, the Company (through UML) acquired Sharon as a wholly-owned subsidiary for a total purchase consideration of ₹1,954.00 million. Sharon is engaged in the business of manufacturing of intermediates and active pharmaceutical ingredients ("APIs"), as well as finished dosages. It also offers contract manufacturing services for pharmaceutical products. Sharon caters to both domestic as well as international markets including Canada, the United Kingdom, Europe, Australia and Central and South America. Sharon has manufacturing plants located in Dehradun, Uttarakhand and Taloja, Maharashtra.

The Restated Consolidated Financial Information does not include the financial information for either the Innova Partnership, UML or Sharon prior to their respective acquisitions by our Company. The assets and liabilities of the Innova Partnership are included in the restated consolidated balance sheet of the Company as at March 31, 2021; however, the profit and loss and cashflows of Innova Partnership were not consolidated for Fiscal 2021 and therefore are not included in the Restated Consolidated Financial Information for Fiscal 2021. The assets and liabilities of UML are included in the restated consolidated balance sheet of the Company as at March 31, 2022; however, the profit and loss and cashflows of UML are not consolidated for any period prior to December 31, 2021. Therefore, the profit and loss and cashflows of UML are not included in the Restated Consolidated Financial Information for Fiscal 2021 and are included in the Restated Consolidated Financial Information for Fiscal 2022 for the period beginning on January 1, 2022 and ended on March 31, 2023. The assets and liabilities of Sharon are not included in the restated consolidated balance sheets of the Company as at March 31, 2022 and March 31, 2023, and the profit and loss and cashflows of Sharon are not included in the Restated Consolidated Financial Information for Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three months ended June 30, 2023.

The Univentis Foundation became a Subsidiary of our Company on June 14, 2021, and it is included from that date in the Restated Consolidated Financial Information for the remainder of Fiscal 2022 and for Fiscal 2023 and the three months ended June 30, 2023.

Accordingly, the Restated Consolidated Financial Information is not comparable from period to period and does not fully reflect the Company, the Innova Partnership, UML, the Univentis Foundation and Sharon on a consolidated basis. Investors are therefore cautioned against relying on the Restated Consolidated Financial Information as the periods provided are not comparable to each other and will not be comparable for any future financial statements that we may prepare.

For the purpose of understanding the combined businesses of our Company, the Innova Partnership, UML, the Univentis Foundation and Sharon, we have prepared the Proforma Condensed Consolidated Financial Information as of, and for fiscal year ended March 31, 2023. The Proforma Condensed Consolidated Statement of Profit and Loss was prepared as if the acquisition of Sharon occurred on April 1, 2022, and the Proforma Condensed Consolidated Balance Sheet was prepared as if the acquisition of Sharon occurred as at March 31, 2023. Because of its nature, the Proforma Condensed Consolidated Financial Information addresses a hypothetical situation and, therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the results of operations and the financial position that would have resulted had the transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

In addition to the Proforma Condensed Consolidated Financial Information, we present certain other financial information, operating data, key financial indicators and non-GAAP financial measures "***on a proforma consolidated basis***" which indicate that the information was prepared to give effect to the combination of our Company (on a consolidated basis, as applicable) and Sharon in the pro forma condensed consolidated statement of profit and loss as if the Acquisition Transaction occurred immediately before Fiscal 2023 and in the pro forma condensed consolidated balance sheet was prepared as if the Acquisition Transaction occurred as at March 31, 2023.

Because of its nature, the financial information, operating data, key financial indicators and non-GAAP financial measures "*on a proforma consolidated basis*" address a hypothetical situation and, therefore, is subject to change and may not give an accurate picture of our factual results of operations or financial condition. It instead purports to indicate the financial and operating information that would have resulted had the above-mentioned acquisition transactions been completed at the date prior to the first period presented but are not intended to be indicative of expected results or operations in the future periods or our future financial position.

In addition, the proforma adjustments made in the Proforma Condensed Consolidated Financial Information, financial information, operating data, key financial indicators and non-GAAP financial measures "*on a proforma consolidated basis*" are based upon available information and assumptions that our management believes to be reasonable. The Proforma Condensed Consolidated Financial Information and other proforma information and operating data have not been prepared in accordance with generally accepted accounting principles including accounting standards and, accordingly, should not be relied upon as if it had been carried out in accordance with those principles and standards and practices.

Further, the Proforma Condensed Consolidated Financial Information and other proforma information and operating data have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India (including in the United States), and, accordingly, should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. Our statutory auditor's procedures on the pro forma financial information have not been carried out in accordance with attestation standards and practices generally accepted in the United States of America, and accordingly, should not be relied on as if they had been carried out in accordance with those standards. For information on the proforma adjustments made in such Proforma Condensed Consolidated Financial Information, see "*Proforma Condensed Consolidated Financial Information*" beginning on page 331.

Key Performance Indicators and Non-GAAP Financial Measures

In addition to our financial results determined in accordance with Ind AS, we consider and use those certain non-GAAP financial measures and key performance indicators that are presented below as supplemental measures to review and assess our operating performance. Our management does not consider these non-GAAP financial measures and key performance indicators in isolation or as an alternative or substitutive to the Restated Consolidated Financial Information. We present these non-GAAP financial measures and key performance indicators because we believe they are useful to our Company in assessing and evaluating our operating performance, and for internal planning and forecasting purposes. We believe these non-GAAP financial measures could help investors as an additional tool to evaluate our ongoing operating results and trends with a more granular view of our financial performance.

Non-GAAP financial information are not recognized under Ind AS and do not have standardized meanings prescribed by Ind AS. In addition, non-GAAP financial measures and key performance indicators used by us may differ from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business. Other companies may calculate non-GAAP metrics differently from the way we calculate these metrics. See "*Risk Factors –We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation. Further, such information of our performance is not prepared under or required by Ind AS*" on page 58.

Based on the Restated Consolidated Financial Information

The following sets forth key performance indicators and non-GAAP financial measures reconciled to our Restated Consolidated Financial Information.

(₹ in millions, except for ratios and percentages)

Particulars	As at, or for the fiscal year ended, March 31,			As at, or for the three months ended, June 30, 2023
	2021	2022	2023	
EBITDA[(1)]	558.57	989.03	1,228.45	324.24
EBITDA Margin[(2)]	13.60%	12.35%	13.26%	13.90%
Net Debt[(3)]	331.32	1,957.43	2,163.17	3,585.01
Debt-Equity Ratio[(4)]	0.31	0.95	0.85	1.21
Debt/Profit[(5)]	1.31	3.10	3.46	25.12*
Net Debt / EBITDA Ratio[(6)]	0.59	1.98	1.76	11.06*
Return on Equity[(7)]	23.82%	30.66%	24.58%	4.81%*
PAT Margin[(8)]	8.40%	7.99%	7.34%	7.54%
Capital Employed[(9)]	1,894.03	3,896.41	4,942.31	7,897.70
Return on Capital Employed[(10)]	26.54%	23.46%	22.61%	3.75%*
Fixed Asset Turnover Ratio[(11)]	4.88	5.10	5.37	0.72*
Net Worth[(12)]	1,447.77	2,085.62	2,764.62	2,942.67
Return on Net Worth[(13)]	23.83%	30.66%	24.58%	5.98%*
Net Asset Value per Equity Share (*in* ₹)[(14)]	30.16	43.45	57.60	61.31

Notes:
** not annualized*

(1) EBITDA is calculated as the sum of (i) profit for the year/period, (ii) total tax expenses, (iii) finance costs, and (iv) depreciation and amortization expenses.
(2) EBITDA Margin is calculated as EBITDA divided by revenue from operations.
(3) Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year/period.
(4) Debt-Equity Ratio is calculated as total borrowings divided by total equity.
(5) Debt/Profit is calculated as total borrowings divided by profit for the year/period.
(6) Net Debt / EBITDA Ratio is calculated as Net Debt divided by EBITDA.
(7) Return on Equity is calculated as profit for the year/period divided by total equity.
(8) PAT Margin is calculated as profit for the year/period divided by revenue from operations.
(9) Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year/period.
(10) Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed.
(11) Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work-in-progress as at the end of the year/period.
(12) Net Worth is calculated as the sum of equity share capital, other equity and capital reserve.
(13) Return on Net Worth is calculated as profit for the year/period divided by Net Worth as at the end of the year/period.
(14) Net Asset Value per Share is calculated as Net Worth divided by the number of equity shares outstanding as at the end of the year/period.

EBITDA and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin, including a reconciliation of each such financial measure to the Restated Consolidated Financial Information for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023.

(₹ in millions, except for percentages)

Particulars	**For the fiscal year ended March 31,**			**For the three months ended June 30, 2023**
	2021	**2022**	**2023**	
Revenue from operations (A)	4,106.62	8,005.26	9,263.80	2,332.43
Profit for the year / period (B)	345.00	639.53	679.54	175.93
Add: Finance costs (C)	39.27	56.80	199.73	50.31
Add: Total tax expense (D)	118.44	217.67	238.41	70.06
Add: Depreciation and amortization expense (E)	55.86	75.03	110.77	27.94
EBITDA (F=B+C+D+E)	**558.57**	**989.03**	**1,228.45**	**324.24**
EBITDA Margin (G=F/A)	**13.60%**	**12.35%**	**13.26%**	**13.90%**

Net Debt

The following table sets forth our Net Debt as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023, on a restated consolidated basis. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year.

(in ₹ millions)

Particulars	**As at March 31,**			**For the three months ended June 30, 2023**
	2021	**2022**	**2023**	
Non-current borrowings (1)	60.00	673.52	1,341.77	2,956.83
Current borrowings (2)	390.26	1,308.30	1,010.15	1,462.17
Total borrowings (A=(1)+(2))	**450.26**	**1,981.82**	**2,351.92**	**4,419.00**
Cash and cash equivalents (3)	47.95	1.52	35.25	324.14
Bank balances other than cash and cash equivalents (4)	70.99	22.87	153.50	509.85
Net Debt (B=A-(3+4))	**331.32**	**1,957.43**	**2,163.17**	**3,585.01**

Debt-Equity Ratio, Debt/Profit and Net Debt/EBITDA Ratio

The following table sets forth our Debt-Equity Ratio, Debt/Profit and Net Debt/EBITDA Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of non-current borrowings and current borrowings. Debt/Profit is calculated as total borrowings divided by profit for the year / period. Net Debt/EBITDA Ratio is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the period/year.

(in ₹ millions, except ratios)

Particulars	**As at, or for the fiscal year ended, March 31,**			**As at, or for the three months ended, June 30, 2023**
	2021	**2022**	**2023**	
Non-current borrowings (1)	60.00	673.52	1,341.77	2,956.83
Current borrowings (2)	390.26	1,308.30	1,010.15	1,462.17
Total borrowings (A=(1)+(2))	**450.26**	**1,981.82**	**2,351.92**	**4,419.00**
Total equity (B)	1,448.21	2,086.06	2,765.06	3,655.06
Debt-Equity Ratio (C=A/B)	**0.31**	**0.95**	**0.85**	**1.21**
Profit for the year / period (D)	345.00	639.53	679.54	175.93
Debt/Profit for the year / period (A/D)	**1.31**	**3.10**	**3.46**	**25.12***

Particulars	As at, or for the fiscal year ended, March 31,			As at, or for the three months ended, June 30, 2023
	2021	2022	2023	
Cash and cash equivalents (3)	47.95	1.52	35.25	324.14
Bank balances other than cash and cash equivalents (4)	70.99	22.87	153.50	509.85
Net Debt (E=A-(3+4))	331.32	1,957.43	2,163.17	3,585.01
EBITDA (F)	**558.57**	**989.03**	**1,228.45**	**324.24**
Net Debt / EBITDA Ratio (G=E/F)	**0.59**	**1.98**	**1.76**	**11.06***

** not annualized*

Return on Equity

The following table sets forth our Return on Equity, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. Return on Equity is calculated as profit for the year / period divided by total equity.

(in ₹ millions, except ratios)

Particulars	As at, or for the fiscal year ended, March 31,			As at, or for the three months ended, June 30, 2023
	2021	2022	2023	
Profit for the year / period (A)	345.00	639.53	679.54	175.93
Total equity (B)	1,448.21	2,086.06	2,765.06	3,655.06
Return on Equity Ratio (C=A/B)	**23.82%**	**30.66%**	**24.58%**	**4.81%***

** not annualized*

PAT Margin

The following table sets forth our PAT Margin, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. PAT Margin is calculated as profit for the year / period divided by revenue from operations.

(in ₹ millions, except percentages)

Particulars	For the fiscal year ended March 31,			For the three months ended June 30, 2023
	2021	2022	2023	
Profit for the year / period (A)	345.00	639.53	679.54	175.93
Revenue from operations (B)	4,106.62	8,005.26	9,263.80	2,332.43
PAT Margin (C=A/B)	**8.40%**	**7.99%**	**7.34%**	**7.54%**

Capital Employed

The following table sets forth our Capital Employed as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023, on a restated consolidated basis. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the period/year.

(in ₹ millions)

Particulars	As at March 31,			As at June 30, 2023
	2021	2022	2023	
Total assets (1)	3,696.16	5,754.75	7,044.14	10,861.58
Total liabilities (2)	2,247.95	3,668.69	4,279.08	7,206.52
Goodwill (3.1)	-	166.94	166.94	166.94
Other intangible assets (3.2)	4.44	4.53	7.73	9.42
Non-current borrowings (4)	60.00	673.52	1,341.77	2,956.83
Current borrowings (5)	390.26	1,308.30	1,010.15	1,462.17
Total borrowings (6)=(4)+(5)	450.26	1,981.82	2,351.92	4,419.00
Capital Employed (7) = (1)–(2)–(3.1)–(3.2)+(6)	**1,894.03**	**3,896.41**	**4,942.31**	**7,897.70**

Return on Capital Employed

The following table sets forth our Return on Capital Employed, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year / period, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the period/year.

(in ₹ millions, except percentages)

Particulars	**As at, or for the fiscal year ended, March 31,**			**As at, or for the three months ended, June 30, 2023**
	2021	**2022**	**2023**	
Profit for the year / period (A)	345.00	639.53	679.54	175.93
Add: Total tax expense (B)	118.44	217.67	238.41	70.06
Add: Finance costs (C)	39.27	56.80	199.73	50.31
EBIT (D=A+B+C)	**502.71**	**914.00**	**1,117.68**	**296.30**
Total assets (1)	3,696.16	5,754.75	7,044.14	10,861.58
Total liabilities (2)	2,247.95	3,668.69	4,279.08	7,206.52
Goodwill (3.1)	-	166.94	166.94	166.94
Other intangible assets (3.2)	4.44	4.53	7.73	9.42
Non-current borrowings (4)	60.00	673.52	1,341.77	2,956.83
Current borrowings (5)	390.26	1,308.30	1,010.15	1,462.17
Total borrowings (6)=(4)+(5)	450.26	1,981.82	2,351.92	4,419.00
Capital Employed (E=(1)-(2)-(3.1)-(3.2)+(6))	**1,894.03**	**3,896.41**	**4,942.31**	**7,897.70**
Return on Capital Employed (F=D/E)	**26.54%**	**23.46%**	**22.61%**	**3.75%***

** not annualized*

Fixed Asset Turnover Ratio

The following table sets forth our Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work-in-progress, as at the end of the period/year.

(₹ in millions, except for ratios)

Particulars	**As at, or for the fiscal year ended, March 31,**			**As at, or for the three months ended, June 30, 2023**
	2021	**2022**	**2023**	
Property Plant and Equipment (A)	763.59	1,565.60	1,501.06	2,900.79
Other intangible assets (B)	4.44	4.53	7.73	9.42
Capital work-in-progress (C)	72.64	0.31	215.43	348.33
Revenue from operations (D)	4,106.62	8,005.26	9,263.80	2,332.43
Fixed Asset Turnover Ratio (E=D/(A+B+C))	**4.88**	**5.10**	**5.37**	**0.72***

** not annualized*

Net Worth

The following table sets forth our Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023. Net Worth is calculated as the sum of equity share capital and other equity.

(in ₹ millions)

Particulars	**As at March 31, 2021**	**As at March 31, 2022**	**As at March 31, 2023**	**As at June 30, 2023**
Equity share capital (A)	120.00	120.00	480.00	480.00

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
Other equity (B)	1,328.21	1,966.06	2,285.06	3,175.06
Capital reserve (C)	0.44	0.44	0.44	712.39
Net Worth (D=A+B-C)	**1,447.77**	**2,085.62**	**2,764.62**	**2,942.67**

Return on Net Worth

The following table sets forth our Return on Net Worth, including a reconciliation of such financial measure to the Restated Consolidated Financial Information, for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023. Return on Net Worth is calculated as profit for the year / period divided by Net Worth as at the end of the year / period.

(in ₹ millions, except percentages)

Particulars	As at, or for the fiscal year ended, March 31,			As at, or for the three months ended, June 30, 2023
	2021	2022	2023	
Profit for the year / period (A)	345.00	639.53	679.54	175.93
Net Worth (B)	1,447.77	2,085.62	2,764.62	2,942.67
Return on Net Worth (C=A/B)	**23.83%**	**30.66%**	**24.58%**	**5.98%***

** not annualized*

Net Asset Value per Equity Share

The following table sets forth our Net Asset Value per Equity Share as at March 31, 2021, March 31, 2022, March 31, 2023 and June 30, 2023, on a restated consolidated basis. Net Asset Value per Equity Share is calculated as Net Worth divided by number of equity shares outstanding as at the end of the period/year.

(in ₹ million, except as stated otherwise)

Particulars	As at March 31,			As at June 30, 2023
	2021	2022	2023	
Equity share capital (A)	120.00	120.00	480.00	480.00
Other equity (B)	1,328.21	1,966.06	2,285.06	3,175.06
Capital reserve (C)	0.44	0.44	0.44	712.39
Net Worth (D=A+B-C)	**1,447.77**	**2,085.62**	**2,764.62**	**2,942.67**
Number of equity shares outstanding as at the period/ year end	48,000,000	48,000,000	48,000,000	48,000,000
Net Asset Value per Equity Share (in ₹)	**30.16**	**43.45**	**57.60**	**61.31**

(1) *Pursuant to a Board resolution dated April 1, 2022 and Shareholders' resolution at the Company's EGM dated April 4, 2022, equity shares of face value of ₹100 each of the Company were sub-divided into equity shares of face value of ₹10 each. Consequently, the issued, subscribed and paid up share capital of the Company comprising 1,200,000 equity shares of face value of ₹100 each were sub-divided into 12,000,000 equity shares of face value of ₹10 each. Also, subsequent to December 31, 2021, the Shareholders of the Company in its EGM held on April 4, 2022 approved the issue of bonus shares in the ratio 3:1 per fully paid equity share having face value of ₹10 each to the existing equity Shareholders of the Company in accordance with the provisions of the Companies Act, 2013 whose name appeared in the register of member/beneficial ownership as on record date of April 22, 2022. The number of equity shares outstanding as at the period/year end have been presented to reflect the adjustments for the sub-division of equity shares and the bonus issue retrospectively for the computation of NAV.*

Based on the Proforma Condensed Consolidated Financial Information

The following sets forth key performance indicators and non-GAAP financial measures reconciled to our Proforma Condensed Consolidated Financial Information.

(₹ in millions, except for ratios and percentages)

Particulars	As at, or for the fiscal year ended, March 31, 2023
EBITDA(1)	1,972.75
EBITDA Margin(2)	17.64%
Net Debt(3)	3,779.39
Debt-Equity Ratio(4)	1.32
Debt/Profit(5)	4.26
Net Debt / EBITDA Ratio(6)	1.92

Particulars	As at, or for the fiscal year ended, March 31, 2023
Return on Equity(7)	31.06%
PAT Margin(8)	9.04%
Capital Employed(9)	7,385.29
Return on Capital Employed(10)	24.04%
Fixed Asset Turnover Ratio(11)	3.56
Net Worth(12)	2,764.62
Return on Net Worth(13)	36.58%
Net Asset Value per Equity Share (*in ₹*)(14)	57.60

Notes:

** not annualized*

(1) EBITDA is calculated as the sum of (i) profit for the year, (ii) total tax expenses, (iii) finance costs, and (iv) depreciation and amortization expenses.

(2) EBITDA Margin is calculated as EBITDA divided by revenue from operations.

(3) Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(4) Debt-Equity Ratio is calculated as total borrowings divided by total equity.

(5) Debt/Profit is calculated as total borrowings divided by profit for the year.

(6) Net Debt / EBITDA Ratio is calculated as Net Debt divided by EBITDA.

(7) Return on Equity is calculated as profit for the year divided by total equity.

(8) PAT Margin is calculated as profit for the year divided by revenue from operations.

(9) Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(10) Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed.

(11) Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work-in-progress as at the end of the year.

(12) Net Worth is calculated as the sum of equity share capital and other equity.

(13) Return on Net Worth is calculated as profit for the year divided by Net Worth as at the end of the year.

(14) Net Asset Value per Share is calculated as Net Worth divided by the number of equity shares outstanding as at the end of the year.

EBITDA and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin, including a reconciliation of each such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023.

(₹ in millions, except for ratios and percentages)

Particulars	For the fiscal year ended March 31, 2023
Revenue from operations (A)	11,185.96
Profit for the year (B)	1,011.20
Add: Finance costs (C)	365.59
Add: Total tax expense (D)	398.83
Add: Depreciation and amortization expense (E)	197.13
EBITDA (F=B+C+D+E)	**1,972.75**
EBITDA Margin (G=F/A)	**17.64%**

Net Debt

The following table sets forth our Net Debt, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Information, as at March 31, 2023. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the year.

(₹ in millions)

Particulars	As at March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings (2)	1,514.15
Total borrowings (A=(1)+(2))	**4,305.96**
Cash and cash equivalents (3)	132.94
Bank balances other than cash and cash equivalents (4)	393.63
Net Debt (B=A-(3+4))	**3,779.39**

Debt-Equity Ratio, Debt/Profit and Net Debt/EBITDA Ratio

The following table sets forth our Debt-Equity Ratio and Net Debt/EBITDA Ratio, including a reconciliation of each such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. Debt-Equity Ratio is calculated as total borrowings divided by total equity. Total borrowings is calculated as the sum of non-current borrowings and current borrowings. Debt/Profit is calculated as total borrowings divided by profit for the year. Net Debt/EBITDA Ratio is calculated as Net Debt divided by EBITDA. Net Debt is calculated as total borrowings less cash and cash equivalents and bank balances as at the end of the year.

(₹ in millions, except for ratios)

Particulars	As at, or for the fiscal year ended, March 31, 2023
Non-current borrowings (1)	2,791.81
Current borrowings(2)	1,514.15
Total borrowings (A=(1)+(2))	4,305.96
Total equity (B)	3,255.82
Debt-Equity Ratio (C=A/B)	**1.32**
Profit for the year (D)	1,011.20
Debt/Profit for the year (A/D)	**4.26**
Cash and cash equivalents (3)	132.94
Bank balances other than above (4)	393.63
Net Debt (E=A-(3+4))	3,779.39
EBITDA (F)	1,972.75
Net Debt / EBITDA Ratio (G=E/F)	**1.92**

Return on Equity

The following table sets forth our Return on Equity, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. Return on Equity is calculated as profit for the year divided by total equity.

(₹ in millions, except for percentages)

Particulars	As at, or for the fiscal year ended, March 31, 2023
Profit for the year (A)	1,011.20
Total equity (B)	3,255.82
Return on Equity (C=A/B)	**31.06%**

PAT Margin

The following table sets forth our PAT Margin, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. PAT Margin is calculated as profit for the year divided by revenue from operations.

(₹ in millions, except for percentages)

Particulars	For the fiscal year ended March 31, 2023
Profit for the year (A)	1,011.20
Revenue from operations (B)	11,185.96
PAT Margin (C=A/B)	**9.04%**

Capital Employed

The following table sets forth our Capital Employed as at March 31, 2023, on a proforma consolidated basis. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(₹ in millions)

Particulars	As at March 31, 2023
Total assets (1)	10,187.15
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56

Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15
Total borrowings (6)=(4)+(5)	4,305.96
Capital Employed (7) = (1)–(2)–(3.1)–(3.2)+(6)	**7,385.29**

Return on Capital Employed

The following table sets forth our Return on Capital Employed, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. Return on Capital Employed is calculated as earnings before interest and tax divided by Capital Employed. Earnings before interest and tax is calculated as the sum of (i) profit for the year, (ii) total tax expenses, and (iii) finance costs. Capital Employed is calculated as total assets less total liabilities less goodwill less other intangible assets plus total borrowings as at the end of the year.

(₹ in millions, except for ratios)

Particulars	As at, or for the fiscal year ended, March 31, 2023
Profit for the year (A)	1,011.20
Add: Total tax expense (B)	398.83
Add: Finance costs (C)	365.59
EBIT (D=A+B+C)	**1,775.62**
Total assets (1)	10,187.15
Total liabilities (2)	6,931.33
Goodwill (3.1)	166.94
Other intangible assets (3.2)	9.56
Non-current borrowings (4)	2,791.81
Current borrowings (5)	1,514.15
Total borrowings (6)=(4)+(5)	4,305.96
Capital Employed (7) = (1)–(2)–(3.1)–(3.2)+(6)	**7,385.29**
Return on Capital Employed (F=D/E)	**24.04%**
Net Debt / EBITDA Ratio (G=E/F)	**1.92**

Fixed Asset Turnover Ratio

The following table sets forth our Fixed Asset Turnover Ratio, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. Fixed Asset Turnover Ratio is calculated as revenue from operations divided by the sum of property, plant and equipment, other intangible assets and capital work-in-progress, as at the end of the year.

(₹ in millions, except for ratios)

Particulars	As at, or for the fiscal year ended, March 31, 2023
Property Plant and Equipment (A)	2,916.04
Other intangible assets (B)	9.56
Capital work-in-progress (C)	217.44
Revenue from operations (D)	11,185.96
Fixed Asset Turnover Ratio (E=D/(A+B+C))	**3.56**

Net Worth

The following table sets forth our Net Worth, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, as at March 31, 2023. Net Worth is calculated as the sum of equity share capital and other equity.

(₹ in millions)

Particulars	As at March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserves (C)	491.20
Net Worth (D=A+B-C)	**2,764.62**

Return on Net Worth

The following table sets forth our Return on Net Worth, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, for Fiscal 2023. Return on Net Worth is calculated as profit for the year divided by Net Worth as at the end of the year.

(₹ in millions, except for percentages)

Particulars	As at, or for the fiscal year ended, March 31, 2023
Profit for the year (A)	1,011.20
Net Worth (B)	2,764.62
Return on Net Worth (C=B/A)	**36.58%**

Net Asset Value per Equity Share

The following table sets forth our Net Asset Value per Equity Share, including a reconciliation of such financial measure to the Proforma Condensed Consolidated Financial Information, as at March 31, 2023. Net Asset Value per Equity Share is calculated as Net Worth divided by number of equity shares outstanding as at the end of the year.

(₹ in millions, except as stated otherwise)

Particulars	As at March 31, 2023
Equity share capital (A)	480.00
Other equity (B)	2,775.82
Capital reserve (C)	491.20
Net Worth (D=A+B-C)	**2,764.62**
Number of equity shares outstanding as at the year end	48,000,000
Net Asset Value per Equity Share (in ₹)	**57.60**

Significant Accounting Policies for the Restated Consolidated Financial Information

(1) Basis of preparation

(i) Statement of compliance

The "Restated Consolidated Financial Information" comprise of Restated Consolidated Statements of Assets and Liabilities of the Company as at 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Statements of Cash Flows and the Restated Consolidated Statements of Changes in Equity for each of the period/ years ended 30 June 2023, 31 March 2023, 31 March 2022 and 31 March 2021, together with the notes and annexures thereto (together referred as "Restated Consolidated Financial Information").

These Restated Consolidated Financial Information has been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI"), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus ("RHP" or "Offering Document") in connection with the proposed Initial Public Offering ("IPO"), of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (the "Offer"), prepared by the Company 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;
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"); and

The Restated Consolidated Financial Information have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the Restated Consolidated Financial Information.

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements). Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Further, in Restated Consolidated Financial Information:

- there were no changes in accounting policies during the period/year;
- there were no material amounts which have been adjusted for in arriving at loss for the respective period/year except as disclosed in Annexure VII; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited interim consolidated financial statements of the Group as at and for period ended 30 June 2023 and as at and for the year ended 31 March 2023. Refer note 53.

The Restated Consolidated Financial Information have been compiled by the Group from the audited interim consolidated financial statements of the Group as at and for the period ended 30 June 2023 in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Interim Consolidated Financial Statements"), from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2023 and 31 March 2022 and audited financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their Board meeting held on 10 November 2023, 12 August 2023, 30 September 2022 and 30 November 2021 respectively.

The Restated Consolidated Financial Information have been approved by the Company's Board of Directors on 10 November 2023.

(ii) Basis of measurement

The Restated Consolidated Financial Information has been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Financial assets and liabilities acquired under business combination	Fair value
Derivative financial instruments	Fair value
Defined benefits liability	Present value of defined benefits obligations

(iii) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These Restated Consolidated Financial Information are presented in Indian rupees. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated.

(iv) Current versus non-current classification

The Group presents assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(v) Use of estimates and judgments

In preparation of the Restated Consolidated Financial Information, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the Restated Consolidated Financial Information. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 3(h) and 29 – : revenue recognition: whether revenue is recognized over time or at a point in time, determining the transaction price, estimating the expected value of right of return
- Note 3(d) and 6 – assessment of useful life of right-to-use asset

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period/year is included in the following notes:

- Note 2(f) – Fair value measurement (including fair value of consideration transferred on business combination and fair value of the assets acquired and liabilities assumed)
- Note 3(c) and 5a – Assessment of useful life and residual value of property, plant and equipment
- Note 3(d) and 6 – Lease Classification, discount rate
- Note 3(e) and 5b – Assessment of useful life of intangible assets
- Note 3(f) – Valuation of inventories
- Note 3(g) – Impairment of financial assets; impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 3(k) and 41 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 3(n) and 38 – Recognition and estimation of tax expense including deferred tax; recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used, future recoverability been probable
- Note 3(o), 3(p), and 47(a) – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

(vi) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing the Restated Consolidated Financial Information is included in the Note 39.

(2) Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these Restated Consolidated Financial Information, except if mentioned otherwise.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1 – Presentation of Financial Statements). The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in Note 3 in certain instances.

Set out below are the material accounting policies:

(a) Principles of consolidation

The Restated Consolidated Financial Information comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The Restated Consolidated Financial Information is prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the Group's accounting policies.

The detail of consolidated entity as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership			
		As at 30 June 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Sharon Bio-Medicine Limited#	India	100%	-	-	
Univentis Medicare Limited ##	India	100%	100%	100%	-
Univentis Foundation ###	India	100%	100%	100%	-

\# The Group has invested in Sharon Bio-Medicine Limited on 30 June 2023
\## The Group has invested in Univentis Medicare Limited on 31 December 2021
\### Incorporated on 14 June 2021

Consolidation procedure

The Restated Consolidated Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Restated Consolidated Financial Information for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Restated Consolidated Financial Information to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Following are the steps involved in consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of each subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

<u>Business Combinations</u>

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. In case of leases acquired as part of business combination, the Group measures a right-of-use asset at the same amount as the lease liability. However, if the lease terms are favourable or unfavourable when compared with market terms, then the right-of-use asset is adjusted by the fair value of the off-market terms. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Restated Consolidated Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Restated Consolidated Statement of Profit and Loss.

<u>Subsidiaries</u>

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Restated Consolidated Financial Information from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Restated Consolidated Statement of Profit and Loss.

(b) Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivable that does not contain a significant financing component are measured at transaction price) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (‘FVTPL’) are recognised immediately in Restated Consolidated Statement of Profit and Loss. A trade receivable without a significant financing component is initially measured at the transaction price.

On initial recognition, a financial asset is classified as measured at:

- amortised cost
- fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVTPL)

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Restated Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Restated Consolidated Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Restated Consolidated Statement of Profit and Loss.

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

− the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
– how the performance of the portfolio is evaluated and reported to the Group's management;
– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

− contingent events that would change the amount or timing of cash flows;
− terms that may adjust the contractual coupon rate, including variable interest rate features;
− prepayment and extension features; and
− terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets – Subsequent measurement and gains and losses

a) Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

b) Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's Restated Consolidated Statement of Assets and Liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Restated Consolidated Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Restated Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Restated Consolidated Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated Consolidated Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Restated Consolidated Statement of Assets and Liabilities when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Group holds derivative financial instruments in form of compulsorily convertible preference shares. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

Financial Guarantee

A financial guarantee contract requires the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values, adjusted for transaction costs that are directly attributable to the issuance of the guarantee and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the Company's revenue recognition policies.

The Company has not designated any financial guarantee contracts as FVTPL.

The Group estimates the loss allowance on financial guarantee contracts based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the interest rate relevant to the exposure.

(c) Property, plant and equipment ('PPE')

Recognition and measurement

Items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation and or accumulated impairment loss, if any. Freehold land is carried at historical cost less any accumulated impairment losses.

Cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes after deducting any trade discounts and rebates and any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of PPE comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Advances paid towards acquisition of PPE outstanding at each reporting date, are shown under other non-current assets and cost of assets not ready for intended use before the period/year end, are shown as capital work-in-progress.

Any gain or loss on disposal of an item of PPE is recognised in the Restated Consolidated Statement of Profit and Loss.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to Restated Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Restated Consolidated Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with the notification dated 29 August 2014 of the Ministry of Corporate Affairs except for certain classes of PPE which are depreciated based on the internal technical assessment of the management. The estimated useful lives of items of PPE for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Building - Factory	30 Years	30 Years
Office equipment	5 Years	3 – 5 Years
Plant and equipment	3 – 15 Years	3 – 15 Years
Lab equipments	10 Years	10 Years
Electrical installations	10 Years	10 Years
Vehicles	10 Years	10 Years
Furniture and fittings	10 Years	10 Years
Computer and Printer	3-6 Years	6 Years

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Restated Consolidated Statement of Profit and Loss.

(d) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases in which the Group is a lessee

The Group's lease asset classes primarily consist of leases for buildings and leasehold land. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Group recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Restated Consolidated Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Restated Consolidated Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Restated Consolidated Statement of Profit and Loss.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

(e) Intangible assets

Goodwill arising on business combinations is disclosed separately in the statement of assets and liabilities and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intangible assets (other than goodwill) that are acquired (including implementation of software system) are measured initially at cost. Cost of an item of intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Advances paid towards acquisition of intangible assets outstanding at each reporting date, are shown under other non-current assets and cost of assets not ready for intended use before the period/ year end, are shown as intangible assets under development.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. All other expenditure is recognised in Restated Consolidated Statement of Profit and Loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Restated Consolidated Statement of Profit and Loss.

The estimated useful life computer software for the current and comparative periods is 5 years.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal.

(f) Inventories

Inventories are valued at lower of cost or net realisable value. The method of determining cost of various categories of inventories are as follows:

Raw materials (except goods in transit)	Weighted average method
Traded goods	Weighted average method
Packing material	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Goods in transit	Specifically identified purchase cost

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The Group reviews the condition of its inventories and makes provision against obsolete and slow moving inventory items which are identified as no longer suitable for sale or use.

The comparison of cost and net realisable value is made on an item-by-item basis.

(g) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- Bank balances and other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

<u>Measurement of expected credit losses</u>

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Expected credit losses are discounted at the effective interest rate of the financial asset.

<u>Presentation of allowance for expected credit losses</u>

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

<u>Write-off</u>

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Group's non-financial assets other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g head office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not subsequently reversed. An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(h) Revenue from contract with customers

Under Ind AS 115, the Group recognized revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods underlying the particular performance obligation is transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:
Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability is recognised when billings are in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

The Group disaggregates revenue from contracts with customers by geography.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant

financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Group uses judgement to determine an appropriate selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative selling price of each distinct product or service promised in the contract.

d) The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

e) Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

f) Contract fulfilment costs are generally expensed as incurred except for certain expenses which meet the criteria for capitalisation. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

g) Right of return - Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

Export incentives

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(i) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(j) Government grant

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to capital assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in Restated Consolidated Statement of Profit and Loss as other income on a systematic basis.

Grants that compensate the Group for expenses incurred are recognised in Restated Consolidated Statement of Profit and Loss as other income on a systematic basis in the periods in which such expenses are recognised.

Grants related to income are deducted in reporting the related expense in the Restated Consolidated Statement of Profit and Loss. Export entitlements from government authorities are recognised in the Restated Consolidated Statement of Profit and Loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(k) Employee benefits

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured on an undiscounted basis. A liability is recognised for the amount expected to be paid e.g., salaries, wages and bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

<u>Defined contribution plans</u>

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme (‘ESI’) to Government administered scheme which is a defined contribution plan. The Group’s contribution is recognised as an expense in the Restated Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

<u>Defined benefit plans</u>

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group’s net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Other long-term employee benefits

<u>Compensated absences</u>

As per the Group’s policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Group’s obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit credit method.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Restated Consolidated Statement of Changes in Equity and in the Restated Consolidated Statement of Assets and Liabilities. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Restated Consolidated Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(l) Borrowing costs

Borrowing costs are interest and other costs incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the Restated Consolidated Statement of Profit and Loss in the period in which they are incurred.

(m) Foreign currency transactions

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences on restatement/settlement of all monetary items are recognised in the Restated Consolidated Statement of profit and loss.

(n) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Restated Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets, recognized or unrecognized, are reviewed at each reporting date and recognised / reduced to the extent that it has become probable / no longer probable respectively that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to Ind AS 12). The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases and decommissioning liabilities by applying the 'integrally linked' approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of Ind AS 12. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised (refer note 38).

(o) Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(p) Contingent liabilities and contingent assets

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the Restated Consolidated Financial Information.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Contingent liabilities and contingent assets are reviewed at each reporting date and adjusted to reflect the current best estimates.

(q) Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Commitments are reviewed at each reporting date.

(r) Operating segment

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

(s) Cash and cash equivalents

For the purpose of presentation in the Restated Consolidated Statement of Cash Flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(t) Restated Consolidated Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(u) Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period/ year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/ year. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period/ year attributable to equity shareholders and the weighted average number of shares outstanding during the period/ year are adjusted for the effects of all dilutive potential equity shares.

(v) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group is charged to the Restated Consolidated Statement of Profit and Loss.

(w) Share capital

i. Equity shares: Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

ii. Preference shares: The Group's compulsorily convertible preference shares ("CCCPS") are classified as financial liabilities, because the instrument holders, in terms of the underlying agreement, had exit rights including requiring the Group to buy back shares held by them where upon the conversion ratio is also not fixed. Since both the conversion and redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, or convert the CCCPS into equity shares, where the fixed for fixed condition is not met, therefore, CCCPS have been considered a "hybrid" financial liability.

(3) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the three months ended 30 June 2023, MCA has not notified any new standards or amendments to the existing standard applicable to the Group that has not been applied.

Changes in the accounting policies, if any, in the Three Months Ended June 30, 2023, and Fiscals 2023, 2022 and 2021 and their effect on our profits and reserves

There have been no changes in our accounting policies in the last three Fiscals and in the three months ended June 30, 2023.

Overview of Income and Expenditure

The following descriptions set forth information with respect to key components of our profit and loss statement.

Income

Income consists of revenue from operations and other income.

Revenue from operations

Revenue from operations comprises (i) revenue from sales of finished goods, sales of traded goods and sales of services; and (ii) other operating revenues. Sales of goods and services can be divided into (i) domestic sales; and (ii) revenue from sale of goods and services outside India. Other operating revenues comprises (1) export incentives, and (2) scrap sales.

<u>*Based on the Restated Consolidated Financial Information*</u>

Set forth below is a breakdown of our revenue from operations for the periods/Fiscals indicated as per the Restated Consolidated Financial Information.

Particulars	**Fiscal 2021**		**Fiscal 2022**		**Fiscal 2023**		**Three months ended June 30, 2023**	
	Amount	**Percentage of revenue from operations**	**Amount**	**Percentage of revenue from operations**	**Amount**	**Percentage of revenue from operations**	**Amount**	**Percentage of revenue from operations**
	(₹ million)	***(%)***	***(₹ million)***	***(%)***	***(₹ million)***	***(%)***	***(₹ million)***	***(%)***
Revenue from operations								
Sale of finished goods	3,834.91	93.38	7,452.52	93.10	8,298.32	89.58	2,174.88	93.25
Sale of traded goods	233.55	5.69	490.11	6.12	912.07	9.85	145.62	6.24
Sale of services	27.18	0.66	55.11	0.69	43.59	0.47	8.02	0.34
Revenue from sale of goods and services	**4,095.64**	**99.73**	**7,997.74**	**99.91**	**9.253.98**	**99.89**	**2,328.52**	**99.83**

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Other operating revenues								
Export incentives	10.05	0.24	5.22	0.07	6.95	0.08	3.02	0.13
Scrap sales	0.93	0.02	2.30	0.03	2.87	0.03	0.89	0.04
Other operating revenues	**10.98**	**0.27**	**7.52**	**0.09**	**9.82**	**0.11**	**3.91**	**0.17**
Revenue from operations	**4,106.62**	**100.00**	**8,005.26**	**100.00**	**9,263.80**	**100.00**	**2,332.43**	**100.00**

For management's purposes, our Company's business is considered to constitute one reporting segment. See "*Restated Consolidated Financial Information – Note 40 – Segment information*" on page 309.

Set forth below is a breakdown of our revenue from operations for the periods/Fiscals indicated on a restated consolidated basis, broken down by business.

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Revenue from operations								
CDMO services and products	3,708.71	90.31	6,866.94	85.78	6,795.56	73.36	1,662.10	71.26
Domestic branded generics	0.00	0.00	370.51	4.63	1,661.61	17.94	422.53	18.12
International branded generics	397.91	9.69	767.81	9.59	806.63	8.71	247.80	10.62
Revenue from operations	**4,106.62**	**100.00**	**8,005.26**	**100.00**	**9,263.80**	**100.00**	**2,332.43**	**100.00**

Set forth below is a breakdown of our revenue from sale of goods and services for the periods/Fiscals indicated as per the Restated Consolidated Financial Information, broken down by geography.

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of revenue from sale of goods and services	Amount	Percentage of revenue from sale of goods and services	Amount	Percentage of revenue from sale of goods and services	Amount	Percentage of revenue from sale of goods and services
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Revenue from sale of goods and services								
India	3,697.73	90.28	7,229.93	90.40	8,447.35	91.28	2,080.72	89.36
Outside India	397.91	9.72	767.81	9.60	806.63	8.72	247.80	10.64
Revenue from sale of goods and services	**4,095.64**	**100.00**	**7,997.74**	**100.00**	**9,253.98**	**100.00**	**2,328.52**	**100.00**

Based on our Proforma Condensed Consolidated Financial Information

Set forth below is a breakdown of our revenue from operations for Fiscal 2023 indicated on a proforma consolidated basis, broken down by business.

Particulars	Fiscal 2023	
	Amount	Percentage of revenue from operations
	(₹ *million*)	*(%)*
Revenue from operations		
CDMO services and products	6,795.56	60.75
Domestic branded generics	1,661.61	14.85
International branded generics	806.63	7.21
Sharon	1,922.16	17.18
Revenue from Operations	**11,185.96**	**100.00**

Set forth below is a breakdown of our revenue from operations for Fiscal 2023 on a proforma consolidated basis, broken down by geography.

Particulars	Fiscal 2023	
	Amount	Percentage of revenue from operations
	(₹ *million*)	*(%)*
Revenue from operations		
India	8,951.13	80.02
Outside India	2,234.83	19.98
Revenue from operations	**11,185.96**	**100.00**

Other income

Other income primarily comprises interest income, amortisation of government grants and exchange gain on foreign currency fluctuation (net), amongst others.

Expenditure

Our expenses comprise the following:

a) Cost of materials consumed: Cost of materials consumed comprises (i) the cost of raw materials used in the manufacture of our products; and (ii) the cost of packing materials. Our raw materials include Active Pharmaceutical Ingredients and excipients. Packing materials include aluminium foils, polyvinyl VC, paper boxes, amongst others.

b) Purchase of stock-in-trade: Purchase of stock-in-trade comprises the purchase cost of finished pharmaceutical products, and raw and packing materials.

c) Changes in inventories of finished goods, work-in-progress and stock-in-trade: Changes in inventories of finished goods, work-in-progress and stock-in-trade denotes an increase/decrease in inventories of finished goods, work-in-progress and stock-in-trade between opening and closing dates of a reporting period.

d) Employee benefit expense: Employee benefit expense comprises salaries, wages and bonus, contribution to provident and other funds, and staff welfare expenses.

e) Finance costs: Finance costs comprises interest expenses on financial liabilities measured at amortized cost (i.e., borrowings on compulsorily convertible preference shares and lease liabilities), interest to others and other borrowing costs.

f) Depreciation and amortization expense: Depreciation and amortization expense comprises depreciation on property, plant and equipment, including our plant and machinery, building, factory equipment, computer equipment, office and other equipment, furniture and fixtures, amongst others; amortization of other intangible assets, including computer software; and depreciation of right-of-use assets.

g) Other expenses: Other expenses comprise primarily of power and fuel expenses, packing charges, repairs and maintenance, consumption of stores and spares, commission on sales, sub-contracting charges, and miscellaneous expenses. Set forth below is a description of these key components:

(i) Power and fuel expenses relate to costs incurred in operating our manufacturing facilities. Our fuel primarily includes brackets, diesel and furnace oil. Power is sourced from the State Electricity Board and are charged at the prevailing rates;
(ii) Packing charges relate to costs incurred towards labour charges of packaging of finished pharmaceutical formulation, amongst others;
(iii) Stores and spares consumed relate to consumables utilized at our manufacturing facilities, including machine spare parts, amongst others;
(iv) Commission on certain sales are paid for sales of our products within India, and outside India;
(v) Sub-contracting charges are related to loan license; and
(vi) Other expenses comprise rates, fees and taxes, R&D expense, lab consumables, legal and professional charges, repairs and maintenance, contributions for CSR, and housekeeping expenses, amongst others.

Based on the Restated Consolidated Financial Information

Set forth below is a breakdown of our total expenses as a percentage of our revenue from operations for the periods/years indicated as per the Restated Consolidated Financial Information.

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Expenses								
Cost of materials consumed	3,014.60	73.41	5,736.37	71.66	6,466.06	69.80	1,663.98	71.34
Purchase of stock-in-trade	75.99	1.85	387.80	4.84	447.91	4.84	81.40	3.49
Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.35	0.40	54.89	0.69	1.65	0.02	(79.97)	(3.43)
Employee benefits expense	223.34	5.44	404.59	5.05	547.97	5.92	148.87	6.38
Finance costs	39.27	0.96	56.80	0.71	199.73	2.16	50.31	2.16
Depreciation and amortization expense	55.86	1.36	75.03	0.94	110.77	1.20	27.94	1.20
Other expenses	231.48	5.64	461.41	5.76	663.74	7.16	205.16	8.80
Total expenses	**3,656.89**	**89.05**	**7,176.89**	**89.65**	**8,437.83**	**91.08**	**2,097.69**	**89.94**

Based on our Proforma Condensed Consolidated Financial Information

Set forth below is a breakdown of our total expenses as a percentage of our revenue from operations for Fiscal 2023 as per the Proforma Condensed Consolidated Financial Information.

Particulars	Fiscal 2023	
	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*
Expenses		
Cost of materials consumed	7,377.66	65.95
Purchase of stock-in-trade	447.91	4.00
Changes in inventories of finished goods, work-in-progress and stock-in-trade	43.62	0.39
Employee benefits expense	880.90	7.87
Finance costs	365.59	3.27
Depreciation and amortization expense	197.13	1.76
Other expenses	1,142.60	10.21
Total expenses	**10,455.41**	**93.47**

Tax Expense

Our tax expense represents the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by income tax payable for earlier years and deferred tax charges or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Total tax expense for Fiscal 2021, Fiscal 2022, Fiscal 2023 and the three-month period ended June 30, 2023, amounted to ₹118.44 million, ₹217.67 million, ₹238.41 million and ₹70.06 million, respectively, as per the Restated Consolidated Financial Information.

Total tax expense for Fiscal 2023 amounted to ₹398.83 million, as per the Proforma Condensed Consolidated Financial Information.

Deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled or the asset realized. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax is reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably certain, as the case may be, to be realized.

Operating Segment

Our Company is exclusively engaged in the business of manufacturing of drugs and pharmaceutical products. As such, in accordance with Ind AS, our Company's business is considered to constitute one reportable segment.

Geographic information

The geographic information analyses our revenues by the Company's country of domicile and other countries for the periods/years indicated. In presenting geographical information, segment revenue has been based on the geographic location of customers.

Based on the Restated Consolidated Financial Information

The following is the distribution of our consolidated revenues and receivables by geographical market, regardless of where the goods are produced, for the periods/years indicated, as per the Restated Consolidated Financial Information:

(₹ in millions)

Revenue by Geography	For Fiscal 2021	For Fiscal 2022	For Fiscal 2023	For the three-month period ended June 30, 2023
India	3,697.73	7,229.93	8,447.35	2,080.72
Outside India	397.91	767.81	806.63	247.80
Total revenue from sales of goods and services	**4,095.64**	**7,997.74**	**9,253.98**	**2,328.52**

(₹ in millions)

Trade receivables	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
India	1,243.85	1,894.90	2,443.85	2,568.34
Outside India	141.68	231.96	208.33	464.41
Total trade receivables	**1,385.53**	**2,126.86**	**2,652.18**	**3,032.75**

Based on our Proforma Condensed Consolidated Financial Information

The following is the distribution of our consolidated revenues and receivables by geographical market, regardless of where the goods are produced, for Fiscal 2023 and as at March 31, 2023, respectively, on a proforma consolidated basis:

(₹ in millions)

Revenue by Geography	Fiscal 2023
India	8,951.13
Outside India	2,234.83
Total revenue from sales of goods and services	**11,185.96**

(₹ in millions)

Trade receivables	As at March 31, 2023
India	2,443.85
Outside India	208.33
Total trade receivables	**2,652.18**

Results of operations information based on the Restated Consolidated Financial Information

Set forth below is certain select financial information based on the Restated Consolidated Financial Information for Fiscal 2021, Fiscal 2022, Fiscal 2023, and the three-month period ended June 30, 2023, the components of which are also expressed as a percentage of our total income for the periods/years indicated.

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of total income	Amount	Percentage of total income	Amount	Percentage of total income	Amount	Percentage of total income
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Revenue from operations	4,106.62	99.67	8,005.26	99.64	9,263.80	99.02	2,332.43	99.52
Other income	13.71	0.33	28.83	0.35	91.98	0.98	11.25	0.48
Total income	**4,120.33**	**100.00**	**8,034.09**	**100.00**	**9,355.78**	**100.00**	**2,343.68**	**100.00**
Expenses								
Cost of materials consumed	3,014.60	73.16	5,736.37	71.40	6,466.06	32.22	1,663.98	71.00
Purchase of stock-in-trade	75.99	1.84	387.80	4.83	447.91	0.81	81.4	3.47
Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.35	0.40	54.89	0.68	1.65	0.17	(79.97)	(3.41)
Employee benefits expense	223.34	5.44	404.59	5.04	547.97	2.39	148.87	6.35
Finance costs	39.27	0.96	56.80	0.71	199.73	0.42	50.31	2.15
Depreciation and amortization expense	55.86	1.36	75.03	0.93	110.77	0.60	27.94	1.19
Other expenses	231.48	5.64	461.41	5.74	663.74	2.47	205.16	8.75
Total expenses	**3,656.89**	**89.05**	**7,176.89**	**89.33**	**8,437.83**	**90.19**	**2,097.69**	**89.50**
Profit before tax	**463.44**	**11.25**	**857.20**	**10.67**	**917.95**	**9.81**	**245.99**	**10.50**
Tax expense								
Current tax	114.98	2.79	218.15	2.72	218.60	2.34	68.65	2.93
Deferred tax	3.46	0.08	(0.48)	(0.01)	19.81	0.21	1.41	0.06
Total tax expense	118.44	2.87	217.67	2.71	238.41	2.55	70.06	2.99
Profit for the year / period	**345.00**	**8.37**	**639.53**	**7.96**	**679.54**	**7.26**	**175.93**	**7.51**
Remeasurement of defined benefit obligation	(1.03)	(0.02)	(2.25)	(0.03)	(0.72)	(0.01)	2.83	0.12
Income tax relating to items that will not be reclassified to profit or loss	0.26	0.01	0.57	0.01	0.18	0.00	(0.71)	(0.03)

Particulars	Fiscal 2021		Fiscal 2022		Fiscal 2023		Three months ended June 30, 2023	
	Amount	Percentage of total income	Amount	Percentage of total income	Amount	Percentage of total income	Amount	Percentage of total income
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Total other comprehensive income for the year / period (net of tax)	**(0.77)**	**(0.02)**	**(1.68)**	**(0.02)**	**(0.54)**	**(0.01)**	**2.12**	**0.09**
Total Comprehensive Income for the Year / Period	**344.23**	**8.35**	**637.85**	**7.94**	**679.00**	**7.26**	**178.05**	**7.60**

Results of operations data (or information) for the three months ended June 30, 2023

Our results of operations for the three months ended June 30, 2023, were affected by the following key factors:

- During Fiscal 2023, 1,412,430 cumulative compulsorily convertible preference shares were issued as fully paid with a par value of ₹354 per share. The Company incurred interest expense cost on cumulative compulsorily convertible preference shares of ₹22.25 million during the three months ended June 30, 2023.
- During the three months ended June 30, 2023, the Company incurred a loss on fair valuation of the cumulative compulsorily convertible preference shares of ₹16.87 million on account of increase in the derivative component of the cumulative compulsorily convertible preference shares.

Total Income

Our total income was ₹2,343.68 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, comprising revenue from operations and other income.

Revenue from Operations

Our revenue from operations was ₹2,332.43 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, primarily comprising revenue from sale of finished goods of ₹2,174.88 million (representing 93.25% of our revenue from operations), sale of traded goods of ₹145.62 million (representing 6.24% of our revenue from operations), and sale of services of ₹8.02 million (representing 0.34% of our revenue from operations).

For the three months ended June 30, 2023, our revenue from sales of goods and services within India and revenue from sale of goods and services outside India was ₹2,080.72 million and ₹247.80 million, respectively, representing 89.21%, and 10.62%, respectively, of our revenue from operations for the period on a restated consolidated basis.

Our other operating revenue was ₹3.91 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 0.17% of our revenue from operations. Our other operating revenue for the three months ended June 30, 2023, consisted primarily of export incentives in the amount of ₹3.02 million received in connection with a duty drawback on drugs exports and scrap sale income amounting to ₹0.89 million.

Other Income

Our other income was ₹11.25 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, primarily consisting of interest income on bank deposits of ₹4.33 million, interest income on loan to a subsidiary of ₹2.26 million and an exchange gain on foreign exchange fluctuation (net) of ₹2.58 million.

Expenses

Cost of materials consumed

Our cost of materials consumed was ₹1,663.98 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 71.00% of our total income.

Purchase of stock-in-trade

Our purchase of stock-in-trade was ₹81.40 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 3.47% of our total income.

Change in inventories of finished goods, work-in-progress and stock-in-trade

Our change in inventories of finished goods, work-in-progress and stock-in-trade was ₹(79.97) million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, due to an opening inventory of ₹430.87 million and a closing inventory of ₹639.07 million.

Our opening stock of (i) finished goods was ₹32.44 million as at April 1, 2023, (ii) work-in-progress was ₹180.61 million as at April 1, 2023, (iii) stock-in-trade was ₹202.98 million, and (iv) right to return goods was ₹14.84 million.

Our closing stock of (i) finished goods was ₹135.70 million as at June 30, 2023, (ii) work-in-progress was ₹238.85 million as at June 30, 2023, (iii) stock-in-trade was ₹248.38 million as at June 30, 2023, and (iv) right to return goods was ₹16.14 million as at June 30, 2023.

Our closing stock includes finished goods amounting to ₹56.44 million and work in progress amounting to ₹71.79 million on acquisition of Sharon as at June 30, 2023, which were separately added back as opening stock doesn't include the stock pertaining Sharon as it was acquired on June 30, 2023.

Employee benefits expense

Our employee benefits expense was ₹148.87 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 6.35% of our total income.

Finance costs

Our finance costs were ₹50.31 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 2.15% of our total income. Our finance costs in the period included interest expense cost on cumulative compulsorily convertible preference shares of ₹22.25 million.

Depreciation and amortization expense

Our depreciation and amortization expense was ₹27.94 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 1.19% of our total income.

Other expenses

Our other expenses were ₹205.16 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information, which represented 8.75% of our total income. Our other expenses primarily comprised (i) power and fuel expenses of ₹26.41 million, (ii) packing charges of ₹19.95 million, (iii) stores and spares consumed of ₹13.33 million, (iv) commission on sales of ₹21.54 million, (v) travelling and conveyance of ₹18.65 million, and (vi) loss on fair valuation of cumulative compulsorily convertible preference shares of ₹16.87 million, among others.

Profit before tax

As a result of the foregoing, our profit before tax was ₹245.99 million for the three months ended June 30, 2023, as per the Restated Consolidated Financial Information.

Tax expense

Our total tax expense was ₹70.06 million for the three months ended June 30, 2023, as per the Restated

Consolidated Financial Information, of which current tax expense was ₹68.65 million and deferred tax charge was ₹1.41 million. Our effective tax rate (which represents total tax expense expressed as a percentage of profit before tax for the relevant period) was 28.48%.

Profit for the period

As a result of the foregoing, our profit for the three months ended June 30, 2023 was ₹175.93 million as per the Restated Consolidated Financial Information.

Other comprehensive income / (loss)

Our total other comprehensive income in the three months ended June 30, 2023 was ₹2.12 million as per the Restated Consolidated Financial Information, which was comprised of a remeasurement of defined benefit obligation of ₹2.83 million and income tax credit relating thereto of ₹(0.71) million.

Total Comprehensive Income for the period

As a result of the foregoing, our total comprehensive income for the three months ended June 30, 2023 was ₹178.05 million as per the Restated Consolidated Financial Information.

Results of operations data (or information) for the Fiscal 2023 compared with Fiscal 2022

(₹ in millions, except percentages)

Particulars	**For the year ended March 31,**		**Change (%)**
	2022	**2023**	
Revenue from operations	8,005.26	9,263.80	15.72
Other income	28.83	91.98	219.04
Total income	**8,034.09**	**9,355.78**	**16.45**
Expenses			
Cost of materials consumed	5,736.37	6,466.06	12.72
Purchase of stock-in-trade	387.80	447.91	15.50
Changes in inventories of finished goods, work-in-progress and stock-in-trade	54.89	1.65	(96.99)
Employee benefits expense	404.59	547.97	35.44
Finance costs	56.80	199.73	251.64
Depreciation and amortization expense	75.03	110.77	47.63
Other expenses	461.41	663.74	43.85
Total expenses	**7,176.89**	**8,437.83**	**17.57**
Profit before tax	**857.20**	**917.95**	**7.09**
Tax expense:			
Current tax	218.15	218.60	0.21
Deferred tax	(0.48)	19.81	(4,227.08)
Total tax expense	**217.67**	**238.41**	**9.53**
Profit for the year	**639.53**	**679.54**	**6.26**
Other comprehensive income:			
Remeasurement of defined benefit obligation	(2.25)	(0.72)	(68.00)
Income tax relating to items that will not be reclassified to profit or loss	0.57	0.18	(68.42)
Total other comprehensive income / (loss) for the year (net of tax)	**(1.68)**	**(0.54)**	**(67.86)**
Total Comprehensive Income for the Year	**637.85**	**679.00**	**6.45**

Our results of operations for Fiscal 2023 were affected by the following key factors:

- During Fiscal 2023, 1,412,430 cumulative compulsorily convertible preference shares were issued as fully paid with a par value of ₹354 per share. The Company incurred interest expense of ₹67.15 million on such cumulative compulsorily convertible preference shares during Fiscal 2023.
- During Fiscal 2023, the Company earned other income of ₹21.52 million under amortisation of government grant as the Company fulfilled the conditions of export sales during Fiscal 2023.
- The Company has also earned other income on fair valuation of cumulative compulsorily convertible preference shares of ₹19.76 million in Fiscal 2023.

Total Income

Our total income increased by 16.45% from ₹8,034.09 million for Fiscal 2022 to ₹9,355.78 million for Fiscal 2023 as per the Restated Consolidated Financial Information. In Fiscal 2022 and Fiscal 2023, our revenue from operations constituted 99.64% and 99.02% of our total income, respectively.

Revenue from Operations

Our revenue from operations increased by 15.72% from ₹8,005.26 million for Fiscal 2022 to ₹9,263.80 million for Fiscal 2023 as per the Restated Consolidated Financial Information, which is primarily due:

- revenue from sale of goods and services in India increased by 16.84% from ₹7,229.93 million in Fiscal 2022 to ₹8,447.35 million in Fiscal 2023; and

- revenue from sale of goods and services outside India increased by 5.06% from ₹767.81 million in Fiscal 2022 to ₹806.63 million in Fiscal 2023.

Our other operating revenues increased by 30.59% from ₹7.52 million for Fiscal 2022 to ₹9.82 million for Fiscal 2023 mainly due to increase in export incentives from ₹5.22 million in Fiscal 2022 to ₹6.95 million in Fiscal 2023 on account of increase in revenue from sale of goods and services outside India.

Other Income

Our other income increased by 219.04% from ₹28.83 million in Fiscal 2022 to ₹91.98 million in Fiscal 2023 as per the Restated Consolidated Financial Information, which was primarily due to:

- amortisation of government grant of ₹21.52 million in Fiscal 2023 on account of fulfilment of export obligations relating to the aforesaid government grant;

- gain on fair valuation of cumulative compulsorily convertible preference shares of ₹19.76 million in Fiscal 2023 on account of decrease in option value of such cumulative compulsorily convertible preference shares;

- a 90.11% increase in gain on foreign exchange fluctuation (net) from ₹16.98 million in Fiscal 2022 to ₹32.28 million in Fiscal 2023 due to increase in revenue from sale of goods and services outside India; and

- an increase in interest income on bank deposits to ₹7.11 million in Fiscal 2023 from ₹1.41 million in Fiscal 2022 on account of higher cash balances held in bank deposits in Fiscal 2023.

Expenses

Cost of materials consumed

Our cost of materials consumed increased by 12.72% from ₹5,736.37 million in Fiscal 2022 to ₹6,466.06 million in Fiscal 2023 as per the Restated Consolidated Financial Information. This increase was primarily due to an increase in corresponding revenue from operations.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 15.50% from ₹387.80 million in Fiscal 2022 to ₹447.91 million in Fiscal 2023 as per the Restated Consolidated Financial Information. This increase was primarily due to an increase in sales of traded goods.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Our changes in inventories of finished goods, work-in-progress and stock-in-trade decreased by 96.99% from ₹54.89 million in Fiscal 2022 to ₹1.65 million in Fiscal 2023 mainly due to higher levels of opening inventory in Fiscal 2022, whereas the inventory levels remained stable throughout Fiscal 2023.

Employee benefits expense

Our employee benefits expense increased by 35.44% from ₹404.59 million in Fiscal 2022 to ₹547.97 million in Fiscal 2023 as per the Restated Consolidated Financial Information. This increase was primarily due to customary annual increments and an increase in headcount during the year mainly due to initial hiring for Jammu plant.

Finance costs

Our finance costs increased by 251.64% from ₹56.80 million in Fiscal 2022 to ₹199.73 million in Fiscal 2023 as per the Restated Consolidated Financial Information. This increase was primarily due to additional interest expense on cumulative compulsorily convertible preference shares which were issued during the Fiscal 2023, amounting to ₹67.15 million in Fiscal 2023 and an increase by 129.94% in total of interest expense on borrowings (other than compulsorily convertible preference shares) and interest to others to ₹120.35 million in Fiscal 2023 from ₹52.34 million in Fiscal 2022. The increase on our interest expenses is mainly on account of interest on borrowings for Block G expansion and higher utilisation of working capital credit limits.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 47.63% from ₹75.03 million in Fiscal 2022 to ₹110.77 million in Fiscal 2023 as per the Restated Consolidated Financial Information. This increase was primarily due to additional depreciation on Block G as it was capitalised in December 2021.

Other expenses

Our other expenses increased by 43.85% from ₹461.41 million in Fiscal 2022 to ₹663.74 million in Fiscal 2023 as per the Restated Consolidated Financial Information. The increase was mainly driven by (i) an increase of ₹49.47 million in commission on sales as a result of an increase in the sales base subject to commission, (commission on sale for Fiscal 2022 was ₹44.41 million and for Fiscal 2023 was ₹93.88 million), (ii) an increase of ₹40.20 million in travelling and conveyance as a result of a gradual increase in travelling post COVID-19 (travelling and conveyance for Fiscal 2022 is ₹25.84 million and for Fiscal 2023 is ₹66.04 million), (iii) an increase of ₹30.78 million in rates, fees and taxes, due to payment of regulatory charges such as fees on account of increase in authorised share capital, listing fees paid to stock exchange and other charges relating to product registrations, (rates, fees and taxes for Fiscal 2022 is ₹19.17 million and for Fiscal 2023 is ₹49.95 million), (iv) an increase of ₹23.81 million in freight charges, mainly due to increase in export sales (freight charges for Fiscal 2022 is ₹15.64 million and for Fiscal 2023 is ₹39.45 million), and (v) an increase of 20.22%, 17.08% and 99.60% in power and fuel, packing charges and lab consumables, respectively, which were due to the increase in revenue from operations.

Profit before tax

As a result of the foregoing, our profit before tax increased by 7.09% from ₹857.20 million in Fiscal 2022 to ₹917.95 million in Fiscal 2023 as per the Restated Consolidated Financial Information.

Tax expense

Our total tax expense increased by 9.53% from ₹217.67 million in Fiscal 2022 to ₹238.41 million in Fiscal 2023 as per the Restated Consolidated Financial Information. Our effective tax rate (which represents total tax expense expressed as a percentage of profit before tax for the relevant period) is 25.39% and 25.97% for Fiscals 2022 and 2023, respectively. The slight increase is on account of increase in tax effect of non-deductible expenses due to interest expense on compulsorily convertible preference shares.

Profit for the year

As a result of the foregoing, our profit for the year increased by 6.26% from ₹639.53 million in Fiscal 2022 to ₹679.54 million in Fiscal 2023 as per the Restated Consolidated Financial Information.

Other comprehensive income / (loss)

Our total other comprehensive (loss) decreased from ₹(1.68) million in Fiscal 2022 to ₹(0.54) million for Fiscal 2023 as per the Restated Consolidated Financial Information, which was primarily due to a remeasurement of defined benefit obligations.

Total Comprehensive Income for the year

As a result of the foregoing, our total comprehensive income for the year increased by 6.45% from ₹637.85 million in Fiscal 2022 to ₹679.00 million in Fiscal 2023 as per the Restated Consolidated Financial Information.

Results of operations data (or information) for the Fiscal 2022 compared with Fiscal 2021

(₹ in millions, except percentages)

Particulars	**For the year ended March 31,**		**Change (%)**
	2021	**2022**	
Revenue from operations	4,106.62	8,005.26	94.94
Other income	13.71	28.83	110.28
Total income	**4,120.33**	**8,034.09**	**94.99**
Expenses			
Cost of materials consumed	3,014.60	5,736.37	90.29
Purchase of stock-in-trade	75.99	387.80	410.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	16.35	54.89	235.72
Employee benefits expense	223.34	404.59	81.15
Finance costs	39.27	56.80	44.64
Depreciation and amortization expense	55.86	75.03	34.32
Other expenses	231.48	461.41	99.33
Total expenses	3,656.89	**7,176.89**	**96.26**
Profit before tax	**463.44**	**857.20**	**84.96**
Tax expense:			
Current tax	114.98	218.15	89.73
Deferred tax	3.46	(0.48)	(113.87)
Total tax expense	**118.44**	**217.67**	**83.78**
Profit for the year	**345.00**	**639.53**	**85.37**
Other comprehensive income:			
Remeasurement of defined benefit obligation	(1.03)	(2.25)	118.45
Income tax relating to items that will not be reclassified to profit or loss	0.26	0.57	119.23
Total other comprehensive income / (loss) for the year (net of tax)	**(0.77)**	**(1.68)**	**118.18**
Total Comprehensive Income for the Year	**344.23**	**637.85**	**85.30**

Our results of operations for Fiscal 2022 were affected by the following key factors:

- We completed the acquisition of Innova Partnership with effect from the close of business on March 31, 2021. The acquisition involved the transfer of assets and liabilities from Innova Partnership to the Company on a going concern basis by way of slump sale. As a result, our results of operations for Fiscal 2022 includes the results of operations of the Innova Partnership business, while our results of operations for Fiscal 2021 does not include financial information from the Innova Partnership business.
- We completed the acquisition of UML with effect from December 31, 2021. As a result, our results of operations for Fiscal 2022 only includes financial information from UML for the period from January 1, 2022 to March 31, 2022.
- The expansion of Block G of our Unit 2 manufacturing facility was completed and came online in December 2021.

Total Income

Our total income increased by 94.99% from ₹4,120.33 million for Fiscal 2021 to ₹8,034.09 million for Fiscal 2022 as per the Restated Consolidated Financial Information. In Fiscal 2021 and Fiscal 2022, our revenue from operations constituted 99.67% and 99.64% of our total income, respectively.

Revenue from Operations

Our revenue from operations increased by 94.94% from ₹4,106.62 million for Fiscal 2021 to ₹8,005.26 million for Fiscal 2022 as per the Restated Consolidated Financial Information, which is primarily due to:

- revenue from sale of goods and services in India increased by 95.52% from ₹3,697.73 million in Fiscal 2021 to ₹7,229.93 million in Fiscal 2022 mainly on account of the slump sale acquisition of the assets and liabilities of the Innova Partnership with effect from 31 March 2021; and

- revenue from sale of goods and services outside India increased by 92.96% from ₹397.91 million in Fiscal 2021 to ₹767.81 million in Fiscal 2022 mainly on account of the slump sale acquisition of the assets and liabilities of the Innova Partnership with effect from 31 March 2021.

Our other operating revenues decreased by 31.51% from ₹10.98 million for Fiscal 2021 to ₹7.52 million for Fiscal 2022 mainly due to the discontinuance of merchandise export from India Scheme during the Fiscal 2021.

Other Income

Our other income increased by 110.28% from ₹13.71 million in Fiscal 2021 to ₹28.83 million in Fiscal 2022 as per the Restated Consolidated Financial Information. Such increase was primarily attributable to an increase in the exchange gain on foreign exchange fluctuation (net) from ₹4.47 million in Fiscal 2021 to ₹16.98 million in Fiscal 2022.

Expenses

Cost of materials consumed

Our cost of materials consumed increased by 90.29% from ₹3,014.60 million in Fiscal 2021 to ₹5,736.37 million in Fiscal 2022 as per the Restated Consolidated Financial Information. This increase was primarily due to an increase in corresponding revenue from operations.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 410.33% from ₹75.99 million in Fiscal 2021 to ₹387.80 million in Fiscal 2022 as per the Restated Consolidated Financial Information. This increase was primarily due to a corresponding increase in sales.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Our changes in inventories of finished goods, work-in-progress and stock-in-trade increased by 235.72% from ₹16.35 million in Fiscal 2021 to ₹54.89 million in Fiscal 2022 as per the Restated Consolidated Financial Information, mainly due to higher levels of opening inventory in Fiscal 2022.

Employee benefits expense

Our employee benefits expense increased by 81.15% from ₹223.34 million in Fiscal 2021 to ₹404.59 million in Fiscal 2022 as per the Restated Consolidated Financial Information. This increase was primarily due to additional employee benefit expenses following the addition of employees of Innova Partnership in Fiscal 2022 and customary annual increments of existing employees.

Finance costs

Our finance costs increased by 44.64% from ₹39.27 million in Fiscal 2021 to ₹56.80 million in Fiscal 2022 as per the Restated Consolidated Financial Information. This increase was primarily due to higher utilization of cash credit facilities.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 34.32% from ₹55.86 million in Fiscal 2021 to ₹75.03 million in Fiscal 2022 primarily due to the depreciation impact of property, plant and equipment acquired from Innova Partnership.

Other expenses

Our other expenses increased by 99.33% from ₹231.48 million in Fiscal 2021 to ₹461.41 million in Fiscal 2022 as per the Restated Consolidated Financial Information. The increase was mainly due to the slump sale acquisition of the assets and liabilities of the Innova Partnership with effect from 31 March 2021. The increase is in line with increase in revenue from operations, which also increased by 94.94% from ₹4,106.62 million for Fiscal 2021 to ₹8,005.26 million for Fiscal 2022.

Profit before tax

As a result of the foregoing, our profit before tax increased by 84.96% from ₹463.44 million in Fiscal 2021 to ₹857.20 million in Fiscal 2022 as per the Restated Consolidated Financial Information.

Tax expense

Our total tax expense increased by 83.78% from ₹118.44 million in Fiscal 2021 to ₹217.67 million in Fiscal 2022 as per the Restated Consolidated Financial Information. Our effective tax rate (which represents total tax expense expressed as a percentage of profit before tax for the relevant period) has remained stable at 25.56% and 25.39% for Fiscals 2021 and 2022, respectively.

Profit for the year

As a result of the foregoing, our profit for the year increased by 85.37% from ₹345.00 million in Fiscal 2021 to ₹639.53 million in Fiscal 2022 as per the Restated Consolidated Financial Information.

Other comprehensive income / (loss)

Our total other comprehensive loss increased from ₹(0.77) million in Fiscal 2021 to ₹(1.68) million in Fiscal 2022, which was primarily due to a remeasurement of defined benefit obligations.

Total Comprehensive Income for the year

As a result of the foregoing, our total comprehensive income for the year increased by 85.30% from ₹344.23 million in Fiscal 2021 to ₹637.85 million in Fiscal 2022 as per the Restated Consolidated Financial Information.

Certain Items in the Restated Consolidated Statement of Assets and Liabilities

Assets

The following table shows selected financial data on the Company's assets derived from our restated consolidated statement of assets and liabilities as at March 31, 2021, 2022 and 2023 and as at June 30, 2023.

(₹ in millions)

Particulars	As at			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**June 30, 2023**
Non-Current Assets				
Property, plant and equipment	763.59	1,565.60	1,501.06	2,900.79
Right-of-use assets	23.37	93.28	153.04	441.60
Capital work-in-progress	72.64	0.31	215.43	348.33
Goodwill	-	166.94	166.94	166.94
Other intangible assets	4.44	4.53	7.73	9.42
Financial assets				
(i) Investments	0.00	0.00	0.00	0.00
(ii) Loans	-	2.19	4.78	5.17
(iii) Other financial assets	34.95	7.75	5.59	26.23
Deferred tax assets (net)	-	2.20	1.20	255.41
Income tax assets (net)	13.32	40.26	7.27	7.36
Other non-current assets	79.23	81.18	556.43	720.44
Total Non-Current Assets	**991.54**	**1,964.24**	**2,619.47**	**4,881.69**
Current Assets				
Inventories	914.45	1,283.86	1,173.16	1,452.28

Particulars	As at			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**June 30, 2023**
Financial assets				
(i) Trade receivables	1,385.53	2,126.86	2,652.18	3,032.75
(ii) Cash and cash equivalents	47.95	1.52	35.25	324.14
(iii) Bank balances other than (ii) above	70.99	22.87	153.50	509.85
(iv) Loans	4.65	2.97	10.11	6.13
(v) Other financial assets	22.23	43.02	71.94	101.96
Other current assets	258.82	309.41	328.53	552.78
Total Current Assets	**2,704.62**	**3,790.51**	**4,424.67**	**5,979.89**
Total Assets	**3,696.16**	**5,754.75**	**7,044.14**	**10,861.58**

Non-Current Assets:

Property, plant and equipment

Our property, plant and equipment increased from ₹1,501.06 million as at March 31, 2023 to ₹2,900.79 million as at June 30, 2023. The increase in property, plant and equipment is mainly due to ₹1,414.98 million (net) of additions arising out of acquisition of Sharon as at June 30, 2023.

Right-of use assets

Our right-of-use assets increased from ₹153.04 million as at March 31, 2023 to ₹441.60 million as at June 30, 2023. The increase in right-of-use assets in property is mainly due to ₹289.10 million towards additions on account of the acquisition of Sharon as at June 30, 2023.

Capital work-in-progress

Capital work in progress increased from ₹215.43 million as at March 31, 2023, to ₹348.33 million as at June 30, 2023. A significant amount of our capital expenditure in this period was aimed at setting up our new manufacturing facility at Jammu.

Goodwill

Our goodwill was ₹166.94 million as at March 31, 2023 and June 30, 2023. Our goodwill is attributable to additions on account of acquisition of UML as a wholly owned subsidiary in Fiscal 2022.

Other intangible assets

Our other intangible assets increased from ₹7.73 million as at March 31, 2023 to ₹9.42 million as at June 30, 2023.

Other non-current Financial assets

Our other non-current financial assets increased from ₹5.59 million as at March 31, 2023 to ₹26.23 million as at June 30, 2023, which was mainly due to an increase in security deposits by ₹19.73 million from ₹5.40 million as at March 31, 2023 to ₹25.13 million as at June 30, 2023, on account of the acquisition of Sharon as at June 30, 2023.

Income tax assets (net)

Our income tax assets (net) increased from ₹7.27 million as at March 31, 2023 to ₹7.36 million as at June 30, 2023.

Other non-current assets

Other non-current assets increased from ₹556.43 million as at March 31, 2023 to ₹720.44 million as at June 30, 2023, principally due to an increase in capital advances by ₹164.19 million from ₹554.00 million as at March 31, 2023 to ₹718.19 million as at June 30, 2023, which was mainly on account of a capital advance released for purchase of capital equipment for our Jammu plant.

Current Assets:

Inventories

Our inventories increased from ₹1,173.16 million as at March 31, 2023 to ₹1,452.28 million as at June 30, 2023. Our inventories increased due to increases in inventory of finished goods by ₹103.26 million, of work-in-progress by ₹58.24 million, of stock-in-trade by ₹45.40 million, and of raw materials by ₹44.56 million.

Current financial assets

Our current financial assets increased from ₹2,922.98 million as at March 31, 2023 to ₹3,974.83 million as at June 30, 2023, for the reasons set forth below:

- Trade receivables increased from ₹2,652.18 million as at March 31, 2023 to ₹3,032.75 million as at June 30, 2023, mainly due to the acquisition of Sharon as of June 30, 2023 by ₹290.65 million.
- Cash and cash equivalents increased from ₹35.25 million as at March 31, 2023 to ₹324.14 million as at June 30, 2023, mainly due to the acquisition of Sharon as at June 30, 2023.
- Bank balances other than cash & cash equivalents increased from ₹153.50 million as at March 31, 2023 to ₹509.85 million as at June 30, 2023, primarily due to the addition of the bank balances other than cash & cash equivalents of Sharon in the amount ₹102.30 million and net cash generated from operations.
- Loans (which primarily constitutes loan to employees) decreased from ₹10.11 million as at March 31, 2023 to ₹6.13 million as at June 30, 2023.
- Other current financial assets increased from ₹71.94 million as at March 31, 2023, to ₹101.96 million as at June 30, 2023. This increase was primarily due to an increase in IPO expenses recoverable by ₹18.76 million and in export incentive recoverable by ₹5.18 million.

Other current assets

Other current assets increased from ₹328.53 million as at March 31, 2023 to ₹552.78 million as at June 30, 2023 mainly due to increases in balances with government authorities by ₹109.31 million and in advances to suppliers by ₹82.91 million, due to the acquisition of Sharon.

Liabilities

The following table shows selected financial data on the Company's liabilities derived from our restated summary statement of assets and liabilities as at March 31, 2021, 2022 and 2023 and as at June 30, 2023.

(₹ in millions)

Particulars	As at			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**June 30, 2023**
Non-Current Liabilities				
Financial liabilities				
(i) Borrowings	60.00	673.52	1,341.77	2,956.83
(ii) Lease liabilities	3.53	5.90	13.84	12.10
(iii) Other financial liabilities	-	-	78.94	95.81
Provisions	12.34	22.66	28.97	104.54
Deferred tax liabilities (net)	19.26	20.57	39.21	46.94
Other non-current liabilities	1.29	0.85	0.85	-
Total Non-Current Liabilities	**96.42**	**723.50**	**1,503.58**	**3,216.22**
Current Liabilities				
Financial liabilities				
(i) Borrowings	390.26	1,308.30	1,010.15	1,462.17
(ii) Lease liabilities	1.18	3.96	3.96	6.67
(iii) Trade payables				
(A) total outstanding dues of micro and small enterprises	34.82	14.31	5.73	23.70
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,087.51	1,433.73	1,579.10	1,939.78

Particulars	As at			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**June 30, 2023**
(iv) Other financial liabilities	582.31	93.26	114.63	315.35
Other current liabilities	50.11	78.46	56.10	181.14
Provisions	5.34	3.50	5.83	26.73
Current tax liabilities (net)	-	9.67	-	34.76
Total Current Liabilities	**2,151.53**	**2,945.19**	**2,775.50**	**3,990.30**
Total Liabilities	**2,247.95**	**3,668.69**	**4,279.08**	**7,206.52**

Non-Current Liabilities:

Financial liabilities

Our non-current financial liabilities increased from ₹1,434.55 million as at March 31, 2023 to ₹3,064.74 million as at June 30, 2023 principally due to the increase in our non-current borrowings from ₹1,341.77 million as at March 31, 2023 to ₹2,956.83 million as at June 30, 2023. The increase in our non-current borrowings was due to proceeds from non-current borrowings of ₹1,600.20 million in the three month period ending on 30 June 2023, which included a new term loan to help finance the acquisition of Sharon and additional disbursement of loan for Jammu facility.

Our lease liabilities decreased from ₹13.84 million as at March 31, 2023 to ₹12.10 million as at June 30, 2023.

Our other non-current financial liabilities increased from ₹78.94 million as at March 31, 2023 to ₹95.81 million as at June 30, 2023.

Provisions

Our provisions (non-current) increased from ₹28.97 million as at March 31, 2023 to ₹104.54 million as at June 30, 2023, due to an increase in the non-current portion of the provision for employee benefits.

Deferred tax liabilities (net)

Our deferred tax liabilities (net) increased from ₹39.21 million as at March 31, 2023 to ₹46.94 million as at June 30, 2023.

Other non-current liabilities

Our other non-current liabilities decreased from ₹0.85 million as at March 31, 2023 to Nil as at June 30, 2023.

Current Liabilities:

Financial liabilities

Our current financial liabilities increased from ₹2,713.57 million as at March 31, 2023 to ₹3,747.67 million as at June 30, 2023 for the reasons set forth below:

- Our current borrowings increased from ₹1,010.15 million as at March 31, 2023 to ₹1,462.17 million as at June 30, 2023, due to an increase in cash credit limit from banks by ₹448.04 million.
- Our current lease liabilities increased from ₹3.96 million as at March 31, 2023 to ₹6.67 million as at June 30, 2023, mainly due to additions on account of the acquisition of Sharon as at June 30, 2023.
- Our trade payables increased from ₹1,584.83 million as at March 31, 2023 to ₹1,963.48 million as at June 30, 2023. This increase was primarily due to an increase in total outstanding dues of creditors other than micro and small enterprises from ₹1,579.10 million as at March 31, 2023 to ₹1,939.78 million as at June 30, 2023, which was primarily on account of the acquisition of Sharon as at June 30, 2023.
- Our other current financial liabilities increased from ₹114.63 million as at March 31, 2023 to ₹315.35 million as at June 30, 2023, mainly due to share application money received from the erstwhile Resolution Applicants (RA) having infused a sum of ₹100.65 million, pending allotment within the stipulated time as per the Companies Act 2013 in Sharon and a payable on account of CIRP procedure of ₹64.83 million.

Other current liabilities

Our other current liabilities increased from ₹56.10 million as at March 31, 2023 to ₹181.14 million as at June 30, 2023, mainly due to an increase in contract liabilities by ₹119.93 million due to the acquisition of Sharon as at June 30, 2023.

Provisions

Our current provisions increased from ₹5.83 million as at March 31, 2023 to ₹26.73 million as at June 30, 2023, mainly due to an increase in the current portion of the provision for employee benefits.

Current tax liabilities (net)

Our current tax liabilities (net) increased from NIL as at March 31, 2023 to ₹34.76 million as at June 30, 2023, mainly due to provision for income tax (net of advance tax).

Financial Indebtedness

The following table sets forth our secured and unsecured debt position as of March 31, 2023 and June 30, 2023, as per the Restated Consolidated Financial Information.

(₹ in millions)

Borrowings	As at	
	March 31, 2023	**June 30, 2023**
Non-Current		
Secured Borrowings, comprising of:		
- Term loans	654.19	2,247.00
- Less: Current maturities of non-current borrowings	(30.77)	(30.77)
Total Non-Current Secured Borrowings	**623.42**	**2,216.23**
Unsecured Borrowings, comprising of:		
- Deposits from Directors	249.90	249.90
- Cumulative compulsorily convertible preference shares	468.45	490.70
Total Non-Current Unsecured Borrowings	**718.35**	**740.60**
Total Non-Current Borrowings	**1,341.77**	**2,956.83**
Current		
Secured Borrowings, comprising of:		
- Cash credit limit	0.84	448.88
- Working capital demand loan	973.69	976.30
- Term loan: current maturities of non-current borrowings	30.77	30.77
Total Current Secured Borrowings	**1,005.30**	**1,455.95**
Unsecured Borrowings, comprising of:		
- Credit card	4.85	6.22
Total Current Unsecured Borrowings	**4.85**	**6.22**
Total Current Borrowings	**1,010.15**	**1,462.17**
Total Borrowings	**2,351.92**	**4,419.00**

Our total borrowings increased from ₹2,351.92 million as at March 31, 2023, to ₹4,419.00 million as at June 30, 2023, primarily due to an increase in term loans from our banks to ₹2,247.00 million as at June 30, 2023 from ₹654.19 million as at March 31, 2023, and an increase in cash credit limit to ₹448.88 million as at June 30, 2023, from ₹0.84 million as at March 31, 2023. Our current borrowings increased from ₹1,010.15 million as at March 31, 2023 to ₹1,462.17 million as at June 30, 2023, due to an increase in cash credit limit from banks by ₹448.04 million and our non-current borrowings from ₹1,341.77 million as at March 31, 2023 to ₹2,956.83 million as at June 30, 2023. The increase in our non-current borrowings was due to proceeds from non-current borrowings of ₹1,600.20 million in the three month period ending on 30 June 2023, which included a new term loan to help finance the acquisition of Sharon and additional disbursement of loan for Jammu facility.

See "*Financial Indebtedness*" for a description of broad terms of our indebtedness on page 422.

Liquidity and Capital Resources

Capital Requirements

Our principal capital requirements are for capital expenditure, working capital expenditure and payment of principal and interest on our borrowings. Our principal source of funding has been, and is expected to continue to be, cash generated from our operations, supplemented by borrowings from banks and financial institutions and optimization of operating working capital. For Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three months ended June 30, 2023, we met our funding requirements, including satisfaction of debt obligations, capital expenditure, investments, other working capital requirements and other cash outlays, principally with funds generated from operations, optimization of operating working capital with the balance met from external borrowings and borrowings from Promoters.

Liquidity

Our primary liquidity requirements have been to finance our working capital needs and capital expenditures, including for the acquisition of UML, the acquisition of the assets and liabilities of Innova Partnership, the acquisition of Sharon, construction of new facilities, upgrading of existing facilities and undertaking of new projects, and the repayment of borrowings and debt service obligations. Historically, our principal sources of funding have included cash generated from operations, borrowings by way of short-term and long-term borrowings from banks, credit granted by suppliers, cash and cash equivalents and equity and financing provided by our shareholders. We have also entered into various revolving credit and other working capital facilities, which provides sufficient liquidity for our present requirements.

We had cash and cash equivalents of ₹47.95 million, ₹1.52 million, ₹35.25 million and ₹324.14 million as at March 31, 2021, March 31, 2022 and March 31, 2023 and June 30, 2023, respectively, as per the Restated Consolidated Financial Information.

Cash Flows Based on the Restated Consolidated Financial Information

The following table summarizes our cash flows for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three-month period ended June 30, 2023, as per the restated consolidated statement of cash flows:

(₹ in millions)

Particulars	**For the fiscal year ended March 31,**			**For the three months ended June 30, 2023**
	2021	**2022**	**2023**	
Net cash generated from operating activities	415.66	588.98	671.24	473.92
Net cash (used in) investing activities	(196.68)	(1,881.15)	(908.43)	(2,197.50)
Net cash (used in) / generated from financing activities	(193.36)	1,245.74	270.92	2,012.47
Net increase / (decrease) in cash and cash equivalents	**25.62**	**(46.43)**	**33.73**	**288.89**
Cash and cash equivalents at the beginning of the period/year	22.33	47.95	1.52	35.25
Cash and cash equivalents at the end of the period / year	**47.95**	**1.52**	**35.25**	**324.14**

Cash flows generated from operating activities

We generated ₹473.92 million net cash from operating activities during the three months ended June 30, 2023. While our restated profit before tax for the period was ₹245.99 million, we had operating cash flows before working capital changes of ₹339.34 million, primarily due to adjustments for finance costs of ₹50.31 million, depreciation and amortization expense of ₹27.94 million and loss on fair valuation of compulsorily convertible preference shares of ₹16.87 million. Our total working capital adjustments for the three months ended June 30, 2023 was ₹169.96 million, which primarily consisted of increases in trade payables of ₹201.60 million, other current liabilities of ₹31.42 million and other financial liabilities of ₹11.31 million and decreases in inventories of ₹22.87 million, which were partially offset by an increase in trade receivables of ₹84.29 million and an increase in other financial assets of ₹17.90 million. Our cash generated from operating activities was ₹509.30 million, adjusted by income tax paid of ₹35.38 million.

We generated ₹671.24 million net cash from operating activities during Fiscal 2023. While our restated profit before tax for the year was ₹917.95 million, we had operating cash flows before working capital changes of ₹1,177.13 million, primarily due to adjustments for finance costs of ₹199.73 million and depreciation and amortization expense of ₹110.77 million, which were partially offset by the amortisation of government grant of ₹(21.52) million and a gain on fair valuation of cumulative compulsorily convertible preference shares of ₹(19.76) million. Our total of working capital adjustments for Fiscal 2023 was ₹(310.60) million, as fund flow decreased due to increases in trade receivables of ₹524.33 million, other financial assets of ₹24.79 million and other current assets of ₹19.12 million, which were partially offset by due to an increase in trade payables of ₹136.69 million and a decrease in inventories of ₹108.42 million. Our cash generated from operating activities was ₹866.53 million, adjusted by income tax paid of ₹195.29 million.

We generated ₹588.98 million net cash from operating activities during Fiscal 2022. While our restated profit before tax for the year was ₹857.20 million, we had operating cash flows before working capital changes of ₹1,010.11 million, primarily due to adjustments for depreciation and amortization expense of ₹75.03 million, finance costs of ₹56.80 million and unrealized profit on inventory of ₹18.46 million. Our total working capital adjustments for Fiscal 2022 was ₹(212.71) million, mainly due to increases in trade receivables of ₹178.87 million and inventories of ₹114.31 million and a decrease in other current liabilities of ₹56.43 million, which were partially offset by an increase in trade payables of ₹125.13 million. Our cash generated from operating activities was ₹797.40 million, adjusted by income tax paid of ₹208.42 million.

We generated ₹415.66 million net cash from operating activities during Fiscal 2021. While our restated profit before tax for the year was ₹463.44 million, we had operating cash flows before working capital changes of ₹559.35 million, primarily due to adjustments for depreciation and amortization expense of ₹55.86 million and finance costs of ₹39.27 million. Our total working capital adjustments for Fiscal 2021 was ₹(11.37) million, mainly due to increases in trade receivables of ₹74.21 million and in inventories of ₹44.10 million, which were partially offset by increases in trade payables of ₹98.75 million and in other current liabilities of ₹21.25 million. Our cash generated from operating activities was ₹547.98 million, adjusted by income tax paid of ₹132.32 million.

Cash flows used in investing activities

Net cash used in investing activities was ₹2,197.50 million in the three months ended June 30, 2023, primarily on account of ₹1,648.14 million used for payments for the acquisition of subsidiary (net of cash and cash equivalents acquired) and ₹297.91 million for the purchase of property, plant and equipment and intangible assets principally for expansion of manufacturing facilities at Jammu and bank deposits made of ₹254.05 million.

Net cash used in investing activities was ₹908.43 million in Fiscal 2023, primarily on account of ₹789.91 million used for the purchase of property, plant and equipment and intangible assets principally for the expansion of our manufacturing facilities at Jammu and bank deposits made of ₹153.11 million.

Net cash used in investing activities was ₹1,881.15 million in Fiscal 2022, primarily on account of ₹798.83 million used for the purchase of property, plant and equipment and intangible assets principally for the expansion of our manufacturing facilities at Jammu, ₹542.50 million for the acquisition of the assets and liabilities of Innova Partnership and ₹597.70 million for the acquisition of UML (net of cash and cash equivalents acquired).

Net cash used in investing activities was ₹196.68 million in Fiscal 2021, primarily on account of ₹187.33 million used for the purchase of property, plant and equipment and intangible assets principally for additions to the manufacturing facilities.

Cash flows generated from / (used in) financing activities

Net cash generated from financing activities in the three months ended June 30, 2023 amounted to ₹2,012.47 million, which primarily consisted of the receipt of proceeds from non-current borrowings (other than cumulative compulsorily convertible preference shares) in the amount of ₹1,600.20 million and proceeds (net of repayments, if any) from current borrowings in the amount of ₹452.32 million.

Net cash generated from financing activities in Fiscal 2023 amounted to ₹270.92 million, which primarily consisted of proceeds from the issue of cumulative compulsorily convertible preference shares of ₹500.00 million and proceeds from non-current borrowings (other than cumulative compulsorily convertible preference shares) of ₹495.13 million, which were partially offset by repayments of non-current borrowings and repayments (net of receipts, if any) of current borrowings of ₹350.56 million and ₹242.89 million, respectively, and finance cost paid of ₹123.55 million.

Net cash generated from financing activities in Fiscal 2022 amounted to ₹1,245.74 million, which primarily consisted of the proceeds from non-current borrowings (other than cumulative compulsorily convertible preference shares) in the amount of ₹1,085.50 million and proceeds (net of repayments, if any) from current borrowings in the amount of ₹613.98 million, which were partially offset by the repayment of non-current borrowings in the amount of ₹390.63 million and finance cost paid in the amount ₹60.00 million.

Net cash used in financing activities in Fiscal 2021 amounted to ₹193.36 million, which primarily consisted of the repayment (net of receipts, if any) of current borrowings in the amount of ₹100.98 million, the repayment of non-current borrowings (other than cumulative compulsorily convertible preference shares) in the amount of ₹56.09 million and finance cost paid in the amount ₹34.76 million.

Capital and Other Commitments

The following table summarizes our other commitments as at March 31, 2021, March 31, 2022, March 31, 2023, and June 30, 2023, as per the Restated Consolidated Financial Information:

(₹ in millions)

Other Commitments	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for	172.89	10.46	1,584.38	1,951.23
Export commitments against import of capital goods under EPCG scheme	-	126.54	-	-
Total	**172.89**	**137.00**	**1,584.38**	**1,951.23**

Lease Liabilities

We have entered into agreements for leasing land and office premises. Land leases typically run for a period of 22-77 years. The leases for office premises typically run for a period of 6 years after which the lease is subject to termination at the option of lessee or lessor.

The following table sets forth a summary of our lease liabilities as at March 31, 2021, March 31, 2022, March 31, 2023, and June 30, 2023, as per the Restated Consolidated Financial Information, broken down by current and non-current:

(₹ in millions)

Particulars	**As at**			
	March 31, 2021	**March 31, 2022**	**March 31, 2023**	**June 30, 2023**
Current	1.18	3.96	3.96	6.67
Non-current	3.53	5.90	13.84	12.10
Total	**4.71**	**9.86**	**17.80**	**18.77**

Capital Expenditure

Capital expenditures consist primarily of investments in our office and manufacturing facilities and purchases of furniture and fixtures, office equipment and motor vehicles. We also make investments at our buildings to upgrade and modernize the facilities. Capital expenditure will vary from year to year depending upon a number of factors, including the need to replace equipment and the timing of certain projects, such as investment in new technologies.

The following table summarizes our capital expenditure for Fiscal 2021, Fiscal 2022 and Fiscal 2023 and the three months ended June 30, 2023, as per the Restated Consolidated Financial Information:

(₹ in millions)

Particulars	**For the fiscal year ended March 31,**			**For the three months ended June 30, 2023**
	2021	**2022**	**2023**	
Additions to property, plant and equipment	35.01	838.64	41.07	10.68
Add: Additions to other intangible assets	2.98	1.93	4.80	0.32
Less: balance of capital work in progress at beginning of the period / year	-	(72.64)	(0.31)	(215.43)

Particulars	For the fiscal year ended March 31,			For the three months ended June 30, 2023
	2021	2022	2023	
Add : Balance of capital work in progress at end of period / year	72.64	0.31	215.43	348.33
Total Capital Expenditure	**110.63**	**768.24**	**260.99**	**143.90**

The above capital expenditures were primarily financed by internally generated resources and long-term bank borrowings.

Contingent Liabilities

Contingent liabilities as at March 31, 2021, March 31, 2022, March 31, 2023, and June 30, 2023, as determined in accordance with Ind AS 37, as per the Restated Consolidated Financial Information, are described below.

(₹ in millions)

Contingent liabilities	As at March 31,			As at June 30, 2023
	2021	2022	2023	
Income tax matters	0.60	0.71	0.60	0.60
Guarantee outstanding	-	-	1,000.00	2,450.00
Total	**0.60**	**0.71**	**1,000.60**	**2,450.60**

For details, see "*Restated Consolidated Financial Information – Note 47(i) - Contingent liabilities*" on page 320.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk, credit risk and liquidity risk. Our board of directors oversees the management of these risks. Our board of directors is responsible to ensure that our financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with our policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our borrowings with floating interest rates. We are exposed to interest rate risk of because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The exposure of our borrowing to interest rate changes as reported to the management at the end of the reporting period/year are as follows:

The exposure of our borrowing to floating interest rate as reported at the end of the reporting period/year are as follows:

(₹ in millions)

Variable rate instruments	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
Floating rate borrowings	450.26	1,630.39	1,522.65	3,564.07
Fixed rate borrowings	-	352.33	832.04	856.90
Total	**450.26**	**1,982.72**	**2,354.69**	**4,420.97**

Interest rate sensitivity analysis

A reasonably possible change of 0.50% in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in millions)

Particulars	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended March 31, 2021				
Interest rate (0.5% movement)	0.16	(0.16)	0.12	(0.12)
Year ended March 31, 2022				
Interest rate (0.5% movement)	0.24	(0.24)	0.18	(0.18)
Year ended March 31, 2023				
Interest rate (0.5% movement)	0.82	(0.82)	0.62	(0.62)
Period ended June 30, 2023				
Interest rate (0.5% movement)	0.24	(0.24)	0.18	(0.18)

Currency Risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. We are exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from our operating activities.

We do not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk.

<u>Exposure to currency risk</u>:

The carrying amount of our foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period/year are as follows:

(*in millions*)

	Currency	As at March 31, 2021		As at March 31, 2022		As at March 31, 2023		As at June 30, 2023	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade receivables	USD	1.93	141.68	3.06	231.91	2.83	233.32	4.44	363.33
	EUR	-	-	0.00	0.05	0.05	4.65	0.13	11.73
	Pound	-	-	-	-	-	-	0.87	89.35
Trade payables	USD	1.87	137.43	1.80	136.57	0.77	64.50	0.40	32.83
	EUR	-	-	0.34	28.52	0.00	0.40	0.00	0.24

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

<u>Sensitivity analysis</u>

The following table details our sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year-end for 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in millions)

Particulars	Profit or (Loss)		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
As at March 31, 2021				
USD 5% movement	0.21	(0.21)	0.16	(0.16)
As at March 31, 2022				
USD 5% movement	4.77	(4.77)	3.57	(3.57)
EUR 5% movement	1.43	(1.43)	1.07	(1.07)
As at March 31, 2023				
USD 5% movement	12.88	(12.88)	9.64	(9.64)
EUR 5% movement	0.25	(0.25)	0.19	(0.19)
As at June 30, 2023				
USD 5% movement	19.81	(19.81)	19.56	(19.56)
EUR 5% movement	0.60	(0.60)	0.35	(0.35)
POUND 5% movement	4.47	(4.47)	4.22	(4.22)

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Trade Receivables

Customer credit risk is managed as per our established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding credit receivables are regularly monitored.

Based on internal assessment, which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The group estimates its allowance for trade receivables using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivables and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The aging of trade receivables at the reporting date was:

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
Not due	929.22	1,490.01	2,169.53	1,982.87
Less than 90 days	396.98	564.40	382.16	869.99
90-180 days	38.00	54.00	66.17	132.64
More than 180 days	21.33	30.01	49.06	74.60
Total	**1,385.53**	**2,138.42**	**2,666.92**	**3,060.10**

Our exposure to credit risk for trade receivables by geographic region is as follows:

(₹ in millions)

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at June 30, 2023
Within India	1,243.85	1,894.90	2,443.85	2,568.34
Outside India	141.68	231.96	208.33	464.41
Total	**1,385.53**	**2,126.86**	**2,652.18**	**3,032.75**

The carrying amount of our most significant customer is ₹304.49 million, Nil, Nil and ₹258.51 million as at March 31, 2021, March 31, 2022, March 31, 2023 and as at June 30, 2023, respectively.

Cash and cash equivalents and deposits with banks

Our cash and cash equivalents are held with banks which have a high credit rating. We consider that our cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Security deposits

We furnished security deposits as margin money deposits to banks. We consider that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where we expect that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Liquidity Risk

Liquidity risk is the risk that we may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Our objective is to, at all times, maintain optimum levels of liquidity to meeting its cash and collateral requirements. We closely monitor our liquidity position and deploy a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of our financial liabilities based on contractual undiscounted payments:

(₹ in millions)

As at March 31, 2021	Carrying amount	On demand	Up to 1 year	1-3 years	More than 3 years	Total
Borrowings	450.26	70.91	319.35	60.00	-	450.26
Other financial liabilities	582.31	-	582.31	-	-	582.31
Trade payables	1,122.33	-	1,122.33	-	-	1,122.33
Lease liabilities	4.71	-	1.64	3.99	-	5.63
Total	**2,159.61**	**70.91**	**2,025.63**	**63.99**	**-**	**2,160.53**

(₹ in millions)

As at March 31, 2022	Carrying amount	On demand	Up to 1 year	1-3 years	More than 3 years	Total
Borrowings	1,981.82	220.78	1,087.27	466.52	206.35	1,980.92
Other financial liabilities	582.31	-	582.31	-	-	582.31
Trade payables	1,448.04	-	1,448.04	-	-	1,448.04
Lease liabilities	9.86	-	4.27	3.76	8.52	16.55
Total	**4,022.03**	**220.78**	**3,121.89**	**470.28**	**214.87**	**4,027.82**

(₹ in millions)

As at March 31, 2023	Carrying amount	On demand	Up to 1 year	1-3 years	More than 3 years	Total
Borrowings*	1,883.47	-	1,009.70	377.24	494.27	1,881.21
Other financial liabilities	114.63	-	114.63	-	-	114.63
Trade payables	1,584.83	-	1,584.83	-	-	1,584.83
Lease liabilities	17.80	-	5.56	49.06	-	54.62
Total	**3,600.73**	**-**	**2,714.72**	**426.30**	**494.27**	**3,635.29**

** The carrying amount of borrowings and other financial liabilities include cumulative compulsorily convertible preference shares amounting to INR 468.45 and derivative component of cumulative compulsorily convertible preference shares of INR 78.94 respectively. As the cumulative compulsorily convertible preference shares holders of the Holding Company, in terms of the underlying agreement, had exit rights that include requiring the company to buy back shares held by them upon occurrence of an event not under the control of the Holding Company, the disclosure of contractual undiscounted payments with respect to the cumulative compulsorily convertible preference shares has not been given.*
The carrying amount of borrowings includes cumulative compulsorily convertible preference shares amounting of ₹468.45 million.

(₹ in millions)

As at June 30, 2023	Carrying amount	On demand	Up to 1 year	1-3 years	More than 3 years	Total
Borrowings*	3,928.30	-	1,963.38	1,164.96	1,287.54	4,415.88
Other financial liabilities	315.35	-	315.35	-	-	315.35

As at June 30, 2023	Carrying amount	On demand	Up to 1 year	1-3 years	More than 3 years	Total
Trade payables	1,963.48	-	1,963.48	-	-	1,963.48
Lease liabilities	18.77	-	6.79	6.82	41.68	55.29
Total	6,225.90	-	4,249.00	1,171.78	1,329.22	6,750.00

** The carrying amount of borrowings and other financial liabilities include cumulative compulsorily convertible preference shares amounting to INR 490.70 and derivative component of cumulative compulsorily convertible preference shares of INR 95.81 respectively. As the cumulative compulsorily convertible preference shares holders of the Holding Company, in terms of the underlying agreement, had exit rights that include requiring the company to buy back shares held by them upon occurrence of an event not under the control of the Holding Company, the disclosure of contractual undiscounted payments with respect to the cumulative compulsorily convertible preference shares has not been given.*

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of our performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, our policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Reservations, Qualifications and Adverse Remarks Included in Financial Statements

There have been no reservations or qualifications or adverse remarks of our Statutory Auditors in the three months ended June 30, 2023 and in Fiscals 2023, 2022 and 2021.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. For further information see "*Restated Consolidated Financial Information – Note 42 – Related parties*" on page 311.

Significant economic changes that materially affect or are likely to affect income from continuing operations

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Red Herring Prospectus, there have been no other events or transactions, including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc., that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Principal Factors Affecting Our Results of Operations*" on page 359 and the uncertainties described in the "*Risk Factors*" on page 33. To our knowledge, except as described or anticipated in this Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our sales, revenues or income from continuing operations.

Future Relationship between Cost and Income

Other than as described elsewhere in this Red Herring Prospectus, including disclosure regarding the impact of

COVID-19 on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

Publicly announced new products or business segments / material increase in revenue due to increased disbursements and introduction of new products

As on the date of this Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

Significant dependence on single or few customers

We depend on a limited number of CDMO customers for our CDMO services and products. In Fiscal 2021, Fiscal 2022 and Fiscal 2023 and in the three months ended June 30, 2023, our top 10 customers contributed revenues on a restated consolidated basis of ₹2,022.01 million, ₹3,341.18 million, ₹3,825.40 million and ₹1,136.63 million, respectively, which represented 54.52%, 48.66%, 56.29% and 68.39%, respectively, of revenue from operations from our CDMO business on a restated consolidated basis; and our top 20 customers contributed revenues on a restated consolidated basis of ₹2,380.93 million, ₹4,191.22 million, ₹4,758.06 million and ₹1,366.41 million, respectively, which represented 64.20%, 61.03%, 70.02% and 82.21%, respectively, of revenue from operations from our CDMO business on a restated consolidated basis. In Fiscal 2023, our top 10 customers contributed revenues on a proforma consolidated basis of ₹3,825.40 million, which represented 56.29% of revenue from operations from our CDMO business on a proforma consolidated basis; and our top 20 customers contributed revenues on a proforma consolidated basis of ₹4,758.06 million, which represented to 70.02% of revenue from operations from our CDMO business on a proforma consolidated basis. See "*Risk Factors - We depend on a limited number of contract development and manufacturing organization ("CDMO") customers. Any reduction in the number of CDMO customers and adverse developments or inability to enter into or maintain relationships with these CDMO customers could have an adverse effect on our business, results of operations and financial condition.*" on page 37.

Seasonality of business

Our business is not seasonal in nature.

Competitive conditions

We operate in a competitive environment and expect competition in our industry from existing and potential competitors to intensify. Please refer to the sections "*Industry Overview*", "*Our Business*", and "*Risk Factors*" on pages 129, 181 and 33, respectively, for further information on our industry and competition.

Significant Developments after June 30, 2023 that may affect our future results of operations

Except as stated in this Red Herring Prospectus, no circumstances have arisen since the date of the last financial statements forming part of the Restated Consolidated Financial Information as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Our Company and our Subsidiary, UML, have entered into financing arrangements in the ordinary course of its business with various banks, including borrowings in the form of term loans and other working capital facilities to meet working capital requirements. Additionally, our Company has availed certain unsecured borrowings from our Promoters and Gian Parkash Aggarwal. As on the date of this Red Herring Prospectus, the Company's lenders are HDFC Bank Limited, State Bank of India, The Hongkong and Shanghai Banking Corporation Limited and Yes Bank Ltd.

For details regarding the borrowing powers of our Board, please see "*Our Management – Borrowing Powers*" on page 234.

Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia*, effecting a change in our shareholding pattern, effecting a change in the composition of our Board, and amending our constitutional documents.

As on March 31, 2023, March 31, 2022 and March 31, 2021, our total borrowings as per our Restated Consolidated Financial Information were ₹2,351.92 million, ₹1,981.82 million, ₹450.26 million. As on October 31, 2023, our aggregated outstanding borrowings on a consolidated basis were ₹4,811.91 million. The details of our borrowings on a consolidated basis as on October 31, 2023, are provided below:

(in ₹ million, unless stated otherwise)

Category of borrowing	Sanctioned amount*	Outstanding amount as on October 31, 2023*
Secured Borrowings		
Working Capital Facilities / Cash Credit	2,650.00	1,585.53
Term Loans	4,750.00	2,991.48
Total Secured Borrowings (A)	**7,400.00**	**4,577.01**
Unsecured Borrowings	418.00	234.90
Total Unsecured Borrowings (B)	**418.00**	**234.90**
Total Borrowings (A+B)	**7,818.00**	**4,811.91**

** As certified by N B T and Co, Chartered Accountants, pursuant to their certificate dated December 14, 2023.*

Principal terms of the borrowings availed by our Company and Univentis Medicare Limited:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company and Subsidiaries in relation to our indebtedness.

1. ***Interest:*** The interest rates for the facilities availed by our Company are typically linked to benchmark rates, such as the marginal cost of fund based lending rates ("**MCLR**") or the repo rate prescribed by the RBI. In terms of the facilities, a spread per annum is charged above these benchmark rates, and the spread ranges between 0.05% to 1.50% per annum. The interest rate on our unsecured borrowings is at 7.00% per annum, compounded on a yearly basis from the date set out in the respective loan agreements.

2. ***Penal Interest:*** We are bound to pay additional interest to our lenders for any irregularity in payments or maintenance of accounts for our term loans and other fund based working capital facilities. This additional rate of interest is charged as per the terms of the financing documentation and is typically from 5.00% to 9.90% per annum above the standard rate of interest on the amount outstanding, for the period of default.

3. ***Pre-payment penalty:*** Should we choose to pay some or all of the outstanding amount of the loan to the lender before its due date, some of our loan agreements require us to pay a premium of up to 2.30% on the amount paid before it is due.

4. ***Security:*** Our facilities are typically secured by the creation of a charge over certain of our immovable properties, our fixed assets, our current assets, and personal guarantees by Promoters of our Company, in favour of our lenders, including by our Promoters. The loan availed by our Subsidiaries is also secured by a guarantee issued by our Company in favour of the lender.

5. ***Validity and Repayment:*** The working capital facilities are typically repayable on demand of the lender as well as the on the basis of a mutually agreed repayment schedule. Our credit facilities are typically renewable at 12 month intervals. The tenor of our term loans typically ranges between 12 months and 120 months including moratorium. The unsecured borrowings availed by our Company have a term of five years. For further details, see *"Risk Factors – Any inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating. Further, our Company has availed unsecured loans which are repayable on demand."* on page 62.

6. ***Key Covenants:*** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take prior approval of the lender before carrying out such activities, without which, it may result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company is required to obtain written consent of the lenders include:

   (a) Effectuating any change in the capital structure or shareholding pattern of our Company, including dilution of the shareholding of our Promoters.
   (b) Making any amendments to the constitutional documents of our Company.
   (c) Effectuating any change in the ownership, control or management of our Company.
   (d) Pre-paying our outstanding loans in whole or part.
   (e) Undertaking any expansions, diversifications, modernization or acquiring any fixed assets.
   (f) Undertaking any merger, demerger, amalgamation, consolidation, restructuring or reorganisation.

7. ***Events of default:*** In terms of the loan facilities, the occurrence of any of the following, will constitute an event of default:

   (a) Default in payment of the loan obligations or any amount due or any part thereof.
   (b) One or more events, conditions or circumstances (including any change in law) occurring or existing which in the reasonable opinion of the lender, could have a material adverse effect.
   (c) If our Company fails to create or perfect the security interest as stipulated in our loan documents.
   (d) Breach of undertakings and/or covenants stipulated in our loan documents.
   (e) Misleading information and representation.
   (f) Any notice/action in relation to actual or threatened liquidation, dissolution, bankruptcy, or insolvency of our Company.
   (g) Cessation in business.
   (h) Security is in jeopardy or ceases to exist.
   (i) Expropriation by any government, governmental authority, agency, official or entity, which in reasonable opinion of the lender causes material adverse effect.
   (j) Illegality of any obligation under the loan agreements.
   (k) Change in control or ownership of our Company without the prior consent of the lenders.
   (l) Any transaction document becomes ineffective, unenforceable or invalid.

8. ***Consequences of occurrence of events of default:*** In terms of the loan facilities, upon the occurrence of events of default, our lenders may:

   (a) Declare any amount as immediately due and payable.
   (b) Accelerate the maturity of the facility and declare all amounts as payable by our Company in respect of the facility to be due and payable immediately.
   (c) Suspend or cancel further access/drawls.
   (d) Levy additional interest or reprice the facilities.
   (e) Declare the security created, to be enforceable.
   (f) Appoint a nominee on the Board.
   (g) Substitute or restructure the management set up of the Borrower, as may be satisfactory to the lender.
   (h) Convert the outstanding loan obligations into equity or other securities.
   (i) Exercise any other rights available to the lender under any regulations/law or the transaction documents.

For risks in relation to the financial and other covenants required to be complied with in relation to our borrowings, see "*Risk Factors – Any inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating."* on page 62.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims for any direct or indirect tax liabilities; or (iv) other material proceedings (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy (as defined herein below), involving our Company, Directors, Promoters or Subsidiaries (the **"Relevant Parties"**).*

*In relation to (iv) above, our Board in its meeting held on June 19, 2022, has considered and adopted a policy of materiality for identification of material litigation/arbitration ("**Materiality Policy**"). In terms of the Materiality Policy, the following shall be considered 'material' for the purposes of disclosure in this Red Herring Prospectus:*

(i) Any pending litigation/arbitration involving the Relevant Parties, in which the aggregate monetary claim made by or against the Relevant Parties (individually or in the aggregate) in any such litigation / arbitration proceedings is equal to or exceeds, an amount which is lesser of: (i) 0.10 percent of the revenue from operations of our Company, or (ii) 1.00 percent of our profit for the year, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Red Herring Prospectus. The revenue from operations of our Company for Fiscal 2023 is ₹9,263.80 million, and the profit for the year of our Company for Fiscal 2023 is ₹679.54 million, as per the Restated Consolidated Financial Information included in this Red Herring Prospectus. Accordingly, all litigation involving our Company, our Subsidiaries, our Directors and our Promoters, in which the amount involved exceeds ₹6.80 million have been considered as material, if any;

(ii) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which may not meet the threshold as specified in (i) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company, irrespective of the amount involved in such litigation; or

(iii) Any pending litigation / arbitration proceedings involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigation, even though the amount involved in an individual litigation may not exceed an amount which is lesser of: (i) 0.10% percent of the revenue from operations of our Company, or (ii) 1.00 percent of our profit for the year, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Red Herring Prospectus.

Further, except as disclosed in this section, there are no (i) disciplinary actions taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Red Herring Prospectus; or (ii) litigation involving any Group Company which may have a material impact on our Company.

For the purposes of the above, pre-litigation notices received by our Company, Subsidiaries, Directors, Group Companies or Promoters from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, our Subsidiaries, or such Director, Group Company or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial/quasi-judicial/arbitral forum. Further, FIRs initiated against our Company, Subsidiaries, Directors, and Promoters shall be disclosed in the Offer Documents.

All terms defined in a particular litigation disclosure below are for that particular litigation only.

Further, our Board, in its meeting held on June 19, 2022 has approved that a creditor of our Company shall be considered 'material' if the amount due to such creditor is equal to or exceeds 5.00 percent of the trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The trade payables of our Company as on June 30, 2023, were ₹1,963.48 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹98.17 million as on June 30, 2023.

Unless stated to the contrary, the information provided below is as on the date of this Red Herring Prospectus.

Litigation proceedings involving our Company

(a) ***Criminal proceedings***

(i) *Criminal proceedings by our Company*

As on the date of this Red Herring Prospectus, there are no pending criminal proceedings initiated by our Company.

(ii) *Criminal proceedings against our Company*

As on the date of this Red Herring Prospectus, there are no pending criminal proceedings initiated against our Company.

(b) ***Actions by statutory or regulatory authorities***

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Company:

1. A complaint dated September 11, 2018 was filed by the Drugs Inspector, representing the state of Tamil Nadu, before the Court of Judicial Magistrate No. VII, Coimbatore, against our Company and four of our Directors at the time, namely, Jayant Vasudeo Rao, Gian Parkash Agarwal, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, for contravening the provisions of Section 18 (a)(i) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug ventoxol expectorant, since the sample taken did not confirm to the label claim with respect to one of its contents. Our Company has, pursuant to such complaint, recalled the drug from the vendors and distribution channels. The matter is currently pending.

2. A complaint dated February 3, 2022 was filed by the Drugs Inspector, Srikakulum, representing the state of Andhra Pradesh, before the Court of Additional Judicial First Class Magistrate, Srikakulum District, against our Company and one of our Directors namely, Jayant Vasudeo Rao, for contravening the provisions of Section 18 (a)(i) read with Section 16 (1)(a) and the second schedule (1) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug pantaprazol sodium tablets with brand name Pantofresh - 40, since the sample taken had failed in the dissolution test as per the standards laid down by the Indian Pharmacopoeia Commission. Our Company has recalled the drug pursuant to such complaint. The matter is currently pending.

3. A show cause notice dated January 24, 2018 was issued by the State Drugs Controller, Himachal Pradesh to our Company alleging a violation of Section 18(a)(i) of the Drugs and Cosmetics Act, 1940 ("**Drugs Act**"). Subsequently, complaint dated February 3, 2020 ("**Complaint**") was filed by the Drugs Inspector (North Zone), Ghaziabad ("**Drugs Inspector**"), representing the Union of India, before the Metropolitan Magistrate, Rohini Court, Delhi, against our Company and four of our Directors at the time, namely, Jayant Vasudeo Rao, Gian Parkash Agarwal, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, alleging an offence under Section 18 (a)(i), read with Sections 16 and 17A(b) of the Drugs Act. It was alleged that a sample of the drug 'Ceftriaxone and Sulbactam for Injection (Big-Tum 1.5 g)' ("**Ceftriaxone**") was taken by the Drugs Inspector for test and analysis on May 19, 2016 and subsequently, the sample of Ceftriaxone was declared 'Not of Standard Quality' and therefore, the manufacture, sale and distribution of Ceftriaxone by our Company was an alleged offence under Section 18 (a)(i), read with Section 16 and 17A(b) of the Drugs Act. Hence, it was prayed that the accused persons be summoned, tried, and punished accordingly. Pursuant to the Complaint, our Company initiated the recall of Ceftriaxone. The matter is currently pending.

4. A show cause notice dated May 1, 2023 ("**Notice**") was issued by Gujarat Medical Services Corporation Limited ("**GMSCL**") to our Company, alleging that our Company had breached a rate contract dated June 1, 2021 ("**Rate Contract**") entered into between GMSCL and our Company for the supply of various medicines to GMSCL, by withdrawing from the Rate Contract. The Rate Contract was for the supply of several types of medicines including Cefadroxil Tablet 500 mg ("**Cefadroxil**") and the Notice alleged that the breach pertained to the non-supply of Cefadroxil. Subsequently, GMSCL through an email dated July 1, 2023 ("**Email**"), communicated that the Rate

Contract with respect to the supply of Cefadroxil was renewed for the period from June 26, 2023 to August 30, 2023. Our Company by a letter dated July 2, 2023, requested GMSCL to cancel the renewal of the Rate Contract with respect to Cefadroxil.

Aggrieved by the Notice and Email, our Company filed a special civil application dated July 25, 2023 ("**Application**") under Articles 226 and 227 of the Constitution of India, before the High Court of Gujarat ("**High Court**"), against the State of Gujarat ("**Respondent**") alleging that the Rate Contract was valid only for a period of two years and had expired on February 28, 2023, and subsequently the Rate Contract was extended up to August 31, 2023 for several medicines excluding Cefadroxil. It was further alleged that the renewal of the Rate Contract with respect to the supply of Cefadroxil communicated through the Email was without the consent of the Company. Therefore, it was prayed that the High Court quash and set aside the communications received through the Notice and Email and grant a stay on the Notice and the execution of the Email during the pendency of the Application. The matter is currently pending.

5. A show cause notice dated April 1, 2023 ("**Notice**") was issued by Gujarat Medical Services Corporation Limited ("**GMSCL**") to our Company, alleging that our Company had breached a rate contract dated May 25, 2021 ("**Rate Contract**") entered into between GMSCL and our Company for the supply of various medicines to GMSCL, by withdrawing from the Rate Contract. The Rate Contract was for the supply of several types of medicines including Cefixime Tablet 200 mg ("**Cefixime**") and the Notice alleged that the breach pertained to the non-supply of Cefixime. Subsequently, GMSCL through an email dated July 1, 2023 ("**Email**"), communicated that the Rate Contract with respect to the supply of Cefixime was renewed for the period from June 26, 2023 to August 30, 2023. Our Company by a letter dated July 2, 2023, requested GMSCL to cancel the renewal of the Rate Contract with respect to Cefixime.

   Aggrieved by the Notice and Email, our Company filed a special civil application dated July 25, 2023 ("**Application**") under Articles 226 and 227 of the Constitution of India, before the High Court of Gujarat ("**High Court**"), against the State of Gujarat ("**Respondent**") alleging that the Rate Contract was valid only for a period of two years and had expired on February 28, 2023, and subsequently the Rate Contract was extended up to August 31, 2023 for several medicines excluding Cefixime. It was further alleged that the renewal of the Rate Contract with respect to the supply of Cefixime communicated through the Email was without the consent of the Company. Therefore, it was prayed that the High Court quash and set aside the communications received through the Notice and Email and grant a stay on the Notice and the execution of the Email during the pendency of the Application. The matter is currently pending.

(c) ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company:

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income Tax	1	0.61
Total		**1**	**0.61**

(d) ***Other material proceedings***

As on the date of this Red Herring Prospectus there are no other proceedings involving our Company, which have been considered material by our Company in accordance with the Materiality Policy.

(e) ***Compounding applications and condonation of statutory non-compliances***

1. Our Company filed a suo motu application on April 5, 2022, with the Registrar of Companies, for the compounding of our non-compliance with Section 383A of the Companies Act, 1956, and Section 203 of the Companies Act, 2013, mandating the appointment of a whole-time company secretary by such companies as may be prescribed by law. Our Company was non-compliant with these statutory requirements during the period from July 25, 2011, to December 31, 2017. Thereafter, our Company rectified the non-compliance on January 1, 2018, through the appointment of a whole-time company secretary. The application is currently pending.

Litigation proceedings involving our Subsidiaries

(a) ***Criminal proceedings***

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending criminal proceedings involving our Subsidiaries:

(i) *Criminal proceedings by our Subsidiaries*

1. Our Subsidiary, UML, filed a complaint dated February 11, 2022 under Sections 138 and 142 of the Negotiable Instruments Act, 1881, through its director Manoj Kumar Lohariwala against Onkar Pharma and its proprietor, in the Court of Special Metropolitan Magistrate no. 11, Jaipur Metropolitan City (Second), Jaipur. Pursuant to the complaint, it was alleged that a cheque dated November 27, 2021, for a sum of ₹0.28 million, issued by Onkar Pharma in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

2. Our Subsidiary, UML, filed a complaint dated October 21, 2021 under Sections 138 and 142 of the Negotiable Instruments Act, 1881, through its director Manoj Kumar Lohariwala against Medizone Distributors and its proprietor, in the Court of Special Metropolitan Magistrate no. 11, Jaipur Metropolitan City (Second), Jaipur. Pursuant to the complaint, it was alleged that two cheques bearing nos. 056045 and 056046 for an aggregate sum of ₹0.59 million, issued by Medizone Distributors in favour of UML, were dishonoured due to account being closed. The matter is currently pending.

3. Our Subsidiary, UML, filed a complaint dated October 22, 2018 under Sections 138 and 142 of the Negotiable Instruments Act, 1881, through its authorised person Chaman Lal against PCI Medicine India Private Limited ("**PCIMIPL**") and its authorised signatory, in the Court of Judicial Magistrate First Class, Nalagarh District, Solan, Himachal Pradesh. Pursuant to the complaint, it was alleged that a cheque dated September 14, 2018, for a sum of ₹2.71 million, issued by PCIMIPL in favour of UML, was dishonoured due to exceeding arrangement. The matter is currently pending.

4. Our Subsidiary, UML, filed a complaint dated March 2, 2021 under Sections 138 and 142 of the Negotiable Instruments Act, 1881, through its authorised person Chaman Lal against Nasam Srinivas, proprietor of Rudrani Pharma Distributors, in the Court of Additional Chief Judicial Magistrate, Nalagarh District, Solan, Himachal Pradesh. Pursuant to the complaint, it was alleged that two cheques dated January 25, 2021 and January 27, 2021 for an aggregate sum of ₹1.00 million, issued by Nasam Srinivas in favour of UML, were dishonoured due to account being closed. The matter is currently pending.

5. Our Subsidiary, UML, filed a complaint dated March 7, 2020 under Sections 138 and 142 of the Negotiable Instruments Act, 1881, through its authorised person Chaman Lal against Sudhanshu Kumar, proprietor of Maa Ambika in the Court of Additional Chief Judicial Magistrate, Nalagarh District, Solan, Himachal Pradesh. Pursuant to the complaint, it was alleged that a cheque dated January 14, 2020 for a sum of ₹1.13 million, issued by Sudhanshu Kumar in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

6. Our Subsidiary, UML, filed a complaint dated March 7, 2020 under Sections 138 and 142 of the Negotiable Instruments Act, 1881 through its authorised person Chaman Lal against Nalin Mittal, proprietor of Mark Pharma, in the Court of Additional Chief Judicial Magistrate, Nalagarh District, Solan, Himachal Pradesh. Pursuant to the complaint, it was alleged that a cheque dated January 14, 2020 for a sum of ₹0.88 million, issued by Nalin Mittal in favour of UML, was dishonoured due to stoppage of payment by the drawer. The matter is currently pending.

7. Our Subsidiary, UML, filed a complaint dated August 7, 2021 under Sections 138 and 142 of the Negotiable Instruments Act, 1881 through its authorised person Dindayal Chaudhary, against M.S. Drug House and its proprietor, Om Parkash Raiyka, in the Court of Special Metropolitan Magistrate (N.I. Act Cases) No. 11, Jaipur Metropolitan City (Second), Jaipur. Pursuant to the complaint, it was alleged that a cheque dated April 7, 2021 for a sum of ₹1.01 million, issued by MS Drug House in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

8. Our Subsidiary, UML, issued a legal notice dated March 5, 2022 under Sections 138 and 141 of the Negotiable Instruments Act, 1881 through its director, Manoj Kumar Lohariwala to Garima Medical Store ("**GMS**") and its proprietor, Bhagirath Gupta, alleging non-payment of bills amounting to ₹0.20 million in respect of the medicines purchased by GMS from UML. Pursuant to the legal notice, it was alleged that a cheque dated December 14, 2021 bearing no. 083002 for a sum of ₹0.23 million, issued by GMS in favour of UML, was dishonoured due to insufficiency of funds. Thereafter, GMS made payment of the sum of ₹0.03 million to UML but did not make payment of the balance amount of ₹0.20 million. Subsequently, UML filed a complaint dated May 9, 2022 through its authorised representative Deendayal Chaudhary in the Court of Special Metropolitan Magistrate no. 11, Jaipur Metropolitan City (Second) Jaipur. The matter is currently pending.

9. Our Subsidiary, UML, filed a complaint dated October 10, 2022 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881, through its authorized representative Chaman Lal against Charanjit, proprietor at Kemson Pharma, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated August 24, 2022 bearing no. 470426 for a sum of ₹0.11 million issued by Charanjit, proprietor at Kemson Pharma in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

10. Our Subsidiary, UML, filed a complaint dated October 5, 2022 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881, through its authorized representative Chaman Lal against Atsun Life Sciences, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that three cheques bearing nos. 000469, 000470 and 000472 for a sum of ₹0.12 million issued by Atsun Life Sciences in favour of UML, were dishonoured due to insufficiency of funds. The matter is currently pending.

11. Our Subsidiary, UML, filed a complaint dated November 11, 2022 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881, through its authorized representative Chaman Lal against Albi Care Pharma, Praveen Pandey and Dilip Gautam partners in Albi Care Pharma, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated September 19, 2022 bearing no. 000256 for a sum of ₹0.47 million issued by the accused partners in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

12. Our Subsidiary, UML, filed a complaint dated January 2, 2023 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881, through its authorized representative Chaman Lal against Shivganga Distributions through its proprietor Doddamadhure Shivanna Hareesha, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated November 8, 2022 bearing no 000155 for a sum of ₹0.63 million issued by Shivganga Distributions in favour of UML, was dishonoured due to stoppage of payment by drawer. The matter is currently pending.

13. Our Subsidiary, UML, filed a complaint dated March 16, 2023 under Section 138, 141 and 142 of the Negotiable Instruments Act, 1881, through its authorized representative Chaman Lal against Kaushik Medical Agency through its proprietor Rupesh Kumar, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated January 9, 2023 bearing no. 335097 for a sum of ₹0.08 million issued by Kaushik Medical Agency in favour of UML, was dishonoured due to stoppage of payment by the drawer. The matter is currently pending.

14. Our Subsidiary, UML, filed a complaint dated March 16, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881, through its authorised representative Chaman Lal against Naveer Alam, partner at Ahmed Medicine Company in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated January 19, 2023 bearing no. 015383 for a sum of ₹0.7 million issued by Naveer Alam, partner at Ahmed Medicine Company in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

15. Our Subsidiary, UML, filed a complaint dated March 16, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881, through its authorised representative Chaman Lal against RD Pharmaceuticals through its partner, Sunita Dahiya, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated January 19, 2023 bearing no. 425224 for a sum of ₹0.09 million issued by RD Pharmaceuticals in favour of UML, was

dishonoured due to exceeding arrangement. The matter is currently pending.

16. Our subsidiary, UML, filed a complaint dated March 16, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Acy, 1881, through its authorised representative Chaman Lal against RJ Enterprises through its proprietor, Rekha, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated January 19, 2023 bearing no. 115867 for a sum of ₹0.20 million issued by RJ Enterprises in favour of UML, was dishonoured due to exceeding arrangement. The matter is currently pending.

17. Our Subsidiary, UML, filed a complaint dated March 16, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881 through its authorised representative, Chaman Lal against Shanti Medicine Centre & Confectioners ("**SMCC**"), through its proprietor, Manoj Kumar Goyal, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated January 19, 2023 bearing no. 122410 for a sum of ₹0.22 million issued by SMCC in favour of UML, was dishonoured due to insufficiency of funds. The matter is currently pending.

18. Our Subsidiary, UML, filed a complaint dated April 27, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881 through its authorized representative, Chaman Lal against A.R. Pharma through its partner, Atahulah Khan, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated March 15, 2023 bearing no. 000214 for a sum of ₹0.22 million issued by A.R. Pharma in favor of UML, was dishonoured due to stoppage of payment by the drawer. The matter is currently pending.

19. Our Subsidiary, UML, filed a complaint dated May 2, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881 through its authorised representative, Chaman Lal against Neptune Enterprises through its proprietor, Bhagwati Prasad Gupta, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated March 15, 2023 bearing no. 001247 for a sum of ₹0.31 million issued by Neptune Enterprises in favour of UML, was dishonoured due to stoppage of payment by the drawer. The matter is currently pending.

20. Our Subsidiary, UML, filed a complaint dated May 2, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881 through its authorised representative, Chaman Lal against Mansvati Enterprises through its proprietor, Manish Sharma, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated February 28, 2023 bearing no. 325447 for a sum of ₹0.38 million issued by Mansvati Enterprises in favour of UML, was dishonoured due to stoppage of payment by the drawer. The matter is currently pending.

21. Our Subsidiary, UML, filed a complaint dated April 9, 2023 under Section 138, 141 and 142 of the Negotiable Instrument Act, 1881 through its authorised representative, Chaman Lal against Rohit Medical Store through its proprietor, Parmod Kumar Jain, in the Court of Chief Judicial Magistrate, Panchkula. Pursuant to the complaint, it was alleged that a cheque dated February 28, 2023 bearing no. 137937 for a sum of ₹0.07 million issued by Rohit Medical Store in favour of UML, was dishonoured due to closure of account. The matter is currently pending.

22. Our Subsidiary, Sharon, filed a complaint dated January 17, 2011 under Section 138 and 141 of the Negotiable Instruments Act, 1881, through Savita Gowda against Saloni Jaiswal, in the Court of Judicial Magistrate of First Class, C.B.D. Belapur, Navi Mumbai, Maharashtra alleging fraud and cheating on account of failure by the defendant to repay an amount of ₹1.00 million. The matter is currently pending.

(ii) *Criminal proceedings against our Subsidiaries*

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending criminal proceedings initiated against our Subsidiaries:

1. Siemens Financial Services Private Limited ("**Siemens**") filed a complaint dated July 1, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the

complaint, it was alleged that a cheque dated April 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

2. Siemens filed a complaint dated October 21, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated August 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

3. Siemens filed a complaint dated July 22, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated May 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

4. Siemens filed a complaint dated September 30, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated July 30, 2015 for a sum of ₹1.76 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

5. Siemens filed a complaint dated August 7, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated April 20, 2015 and May 20, 2015 for an aggregate sum of ₹2.68 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

6. Siemens filed a complaint dated August 7, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a

cheque dated June 20, 2015 for a sum of ₹1.34 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

7. Siemens initially filed a complaint dated May 20, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 44th Court Andheri Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated January 20, 2015 and March 20, 2015, for an aggregate sum of ₹2.67 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. However, the complaint was returned by the court pursuant to its order dated July 3, 2015 for lack of jurisdiction. Following receipt of this order, Siemens filed an application dated September 2, 2015 before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai requesting condonation of delay and permission to re-file the complaint before the appropriate court. Subsequently the complaint was transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

8. Siemens initially filed a complaint dated May 20, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 44th Court Andheri Court, Mumbai. Pursuant to the complaint, it was alleged that three cheques dated January 30, 2015, February 28, 2015 and March 30, 2015 for an aggregate sum of ₹5.26 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. However, the complaint was returned by the court pursuant to its order dated July 3, 2015 for lack of jurisdiction. Following receipt of this order, Siemens filed an application dated September 2, 2015 before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai requesting condonation of delay and permission to re-file the complaint before the appropriate court. Subsequently the complaint was transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

9. Siemens filed a complaint dated October 1, 2015 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Amey Purushottam Kudchadkar, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated August 20, 2015 for a sum of ₹1.34 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

10. Siemens filed a complaint dated June 24, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated April 30, 2016 for a sum of ₹1.77 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either

further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

11. Siemens filed a complaint dated August 4, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated May 20, 2016 and May 30, 2016 for an aggregate sum of ₹3.13 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

12. Siemens filed a complaint dated September 20, 2016 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated July 20, 2016 for a sum of ₹1.35 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

13. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that two cheques dated October 30, 2016 and November 30, 2016 for an aggregate sum of ₹3.58 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

14. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Chief Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that three cheques dated October 20, 2016, November 20, 2016, and December 20, 2016 for an aggregate sum of ₹4.09 million, issued by Sharon in favour of Siemens, were dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

15. Siemens filed a complaint dated January 21, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881, through its authorised person Vaibhav Priyadarshi, against our Subsidiary, Sharon, and certain other persons before the Metropolitan Magistrate, 23rd Court, Esplanade Court, Mumbai, which was subsequently transferred to Additional Metropolitan Magistrate, 37th Court, Esplanade Court, Mumbai. Pursuant to the complaint, it was alleged that a cheque dated September 30, 2016 for a sum of ₹1.79 million, issued by Sharon in favour of Siemens, was dishonoured due to account being closed. While the matter is currently pending, Sharon has received a no-dues certificate dated July 12, 2023 from Siemens confirming that in view of the implementation of the Resolution Plan, no further payment is due to it from Sharon and that Siemens would reserve the right to either

further initiate or continue its ongoing legal proceedings against the other persons named in the complaint.

16. Arti Drugs Limited filed a complaint dated September 11, 2017 under Sections 138 and 141 of the Negotiable Instruments Act, 1881 against our Subsidiary, Sharon, and certain other persons before the Additional Metropolitan Magistrate, Kurla, Mumbai. Pursuant to the complaint, it was alleged that five cheques dated April 24, 2017, April 25, 2017, April 26, 2017, April 27, 2017 and April 28, 2017 for an aggregate sum of ₹14.28 million, issued by Sharon in favour of Arti Drugs Limited, were dishonoured due to account being closed. The matter is currently pending.

17. A criminal complaint was lodged by Union Bank of India ("**Bank**") against our Subsidiary Sharon, its then promoters / directors / guarantors Savita Gowda, Lalit Shambhu Misra, Mohan P. Kala and other persons, before the CBI, ACB, Mumbai, pursuant to an FIR dated November 2, 2019 ("**Complaint**"), alleging circular movement of funds, and that there had been inflation of sales and purchases through fictitious trading transactions. The Complaint alleged that the then promoters / directors / guarantors of Sharon had committed criminal conspiracy and cheating, amongst others, and violated Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988, and Section 120-B read with Section 409, 420, 467, 468, and 471 of the Indian Penal Code, 1860. In relation to these offences, it was alleged in the Complaint that the then promoters / directors / guarantors of Sharon committed fraud against the Bank by availing and misusing sanctioned funds by manipulating the financials and inflating the sales and receivables, and thereby diverted the funds through related parties, and allegedly caused a loss of ₹1,299.60 million to the Bank. The matter is currently pending.

18. A criminal complaint was lodged by State Bank of India ("**Bank**") against our Subsidiary Sharon, its then promoters / directors Savita Gowda, Lalit Shambhu Misra, Mohan P. Kala and other persons, before the CBI, EOB, Mumbai, pursuant to an FIR dated January 25, 2023 ("**Complaint**"). The Complaint alleged that Sharon and its then promoters / directors had committed criminal conspiracy, cheating and criminal misconduct in violation of Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988, and Section 120-B read with Section 420 of the Indian Penal Code, 1860. In relation to these offences the Complaint alleged that based on a forensic audit conducted for the period of July 1, 2011 to March 31, 2017, by the fraud identification committee of the Bank, Sharon's account was classified as "fraud" on July 22, 2019. It was alleged that Sharon inflated sales and purchases through fictitious trading transactions to mislead the Bank into believing that Sharon had a sound financial position and eventually availed higher credit limits than what it was eligible for. Further, it was alleged that Sharon through its then directors diverted the loan amount sanctioned / disbursed by the Bank to derive wrongful gain and cause wrongful pecuniary loss to the Bank estimated to be ₹1,192.40 million. The matter is currently pending.

19. A criminal complaint was lodged by Indian Overseas Bank ("**Bank**") against our Subsidiary Sharon, its then directors / guarantors Savita Gowda, Lalit Shambhu Misra, Mohan P. Kala and other persons, before the CBI, EOB, Mumbai, pursuant to an FIR dated February 22, 2023 ("**Complaint**"). The Complaint alleged that Sharon and its then directors / guarantors had committed criminal conspiracy, forgery for the purpose of cheating and criminal misconduct in violation of Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 and Section 120-B, 420, 468, 471 of the Indian Penal Code, 1860. In relation to these offences the Complaint alleged that Sharon's account was declared as "fraud" and reported to the RBI on May 31, 2019. It was alleged that Sharon inflated sales and purchases through fictitious trading transactions to mislead the Bank into believing that Sharon had a sound financial position and eventually availed higher credit limits than what it was eligible for. Further, it was alleged that Sharon through its then directors diverted the loan amount sanctioned / disbursed by the Bank to derive wrongful gain and cause wrongful pecuniary loss to the Bank estimated to be ₹1,332.00 million. The matter is currently pending.

20. A criminal complaint was lodged by Bank of Maharashtra ("**Bank**") against our Subsidiary Sharon, and its then directors Savita Gowda, Lalit Misra, Mohan P. Kala and other persons, before the CBI, EOB, Mumbai, pursuant to an FIR dated February 23, 2023 ("**Complaint**"). The Complaint alleged that Sharon and its then directors had committed criminal conspiracy, cheating and dishonestly inducing to deliver property, forgery for the purpose of cheating and criminal misconduct in violation of Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 and Section 120-B read with Section 420, 468, and 471 of the Indian Penal Code, 1860. In relation to these

offences the Complaint alleged that a forensic audit for the period of July 1, 2011 to June 30, 2014 was conducted and fraud was detected. It was alleged that Sharon inflated sales and purchases through fictitious trading transactions to mislead the Bank into believing that Sharon had a sound financial position and eventually availed higher credit limits than what it was eligible for. Further, it was alleged that Sharon through its then directors diverted the loan amount sanctioned / disbursed by the Bank to derive wrongful gain and cause wrongful pecuniary loss to the Bank estimated to be ₹593.80 million. The matter is currently pending.

(b) Actions by statutory or regulatory authorities

As on the date of this Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Subsidiaries.

(c) Claims related to direct and indirect taxes

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Subsidiaries:

S. No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Goods and Services Tax	13	55.49
2	Service Tax	1	4.19
3	Income Tax	17	634.77
4	Sales Tax	4	1,252.77
Total		**35**	**1.947.22**

In addition, set forth hereunder is a description of tax matters which involve an amount exceeding ₹6.80 million, as per the Materiality Policy:

1. Our Subsidiary, Sharon received a notice on February 20, 2023 by the Deputy Commissioner of State Tax, Vikasnagar, Dehradun, Uttarakhand, in relation to erroneous IGST refunds availed under IGST route provided under the Central Goods and Services Tax Rules, 2017. The notice alleges that Sharon has received refunds amounting to ₹326.50 million between October 9, 2018 and March, 31, 2022, in violation of Rule 96(10) of the Central Goods and Services Tax Rules, 2017, and that Sharon was required to deposit the IGST amount along with applicable interest as per Section 50 of the Central Goods and Services Act, 2017, by February 28, 2023. The IGST amount payable was determined to be ₹14.16 million along with applicable interest. While the IGST amount and applicable interest was paid by Sharon on June 17, 2023, a response from the Deputy Commissioner of State Tax, Vikasnagar, Dehradun, Uttarakhand regarding the receipt of the amount and closure of the matter is currently awaited by Sharon.

2. Our Subsidiary, Sharon was issued five show cause notices under Section 73 of the Integrated Goods and Services Tax Act, 2017, each dated April 28, 2022, by the Office of the Deputy Commissioner, Vikasnagar, Dehradun, Uttarakhand, alleging erroneous refund of tax. The show cause notices alleged that Sharon had a tax liability of (i) ₹1.74 million for the tax period of November 2017 to December 2017, (ii) ₹4.19 million for the tax period of January 2018 to March 2018, (iii) ₹3.92 million for the tax period of April 2018 to June 2018, (iv) ₹8.14 million for the tax period of July 2018 to March 2019; and (v) ₹3.51 million for the tax period of April 2019 to January 2020, each along with applicable interest and penalty. The matters are currently pending.

3. The Assistant Commissioner of Income Tax, Circle 15(3)(1), Mumbai passed three orders each dated August 27, 2022, in relation to reassessment of income escaping assessment under Section 148A(d) of the Income-tax Act, 1961, ("**Orders**") against our Subsidiary, Sharon. The Orders alleged that income amounting to ₹104.60 million, ₹258.00 million and ₹258.00 million escaped assessment for assessment year 2013-2014, assessment year 2014-2015, and assessment year 2015-2016, respectively. Sharon subsequently filed three writ petitions before the High Court of Judicature at Bombay, praying, among others, to quash and set aside the Orders. The matter is currently pending.

4. Various assessment orders were passed against our Subsidiary, Sharon, in relation to matters involving Sharon's liability to pay VAT or CST, as applicable, aggregating to an amount of ₹1,252.77 million. Set forth hereunder are the details of such proceedings:

(a) For the assessment period 2011-2012, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated April 6, 2017, directing Sharon to pay an amount of ₹14.98 million as VAT along with penalty and interest. A demand notice dated April 6, 2017, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(b) For the assessment period 2011-2012, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated April 6, 2017, directing Sharon to pay an amount of ₹9.77 million as CST along with penalty and interest. A demand notice dated April 6, 2017, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(c) For the assessment period 2013-2014, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 22, 2018, directing Sharon to pay an amount of ₹1,069.70 million as VAT. A demand notice dated March 22, 2018, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(d) For the assessment period 2013-2014, the Deputy Commissioner of Sales Tax, Mumbai, issued an order dated March 22, 2018, directing Sharon to pay an amount of ₹46.49 million as CST along with interest. A demand notice dated March 22, 2018, was also issued by the Deputy Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(e) For the assessment period between April 1, 2015 to November 3, 2015, the Assistant Commissioner of Sales Tax issued an order dated December 29, 2017, directing Sharon to pay an amount of ₹111.77 million as VAT along with interest. A demand notice dated December 29, 2017, was also issued by the Assistant Commissioner of Sales Tax to Sharon directing it to pay the tax within a period of 30 days of the date of receipt of the notice.

(d) Other pending proceedings

As on the date of this Red Herring Prospectus there are no proceedings involving our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

Litigation proceedings involving our Directors

(a) *Criminal proceedings*

(i) Criminal proceedings by our Directors

Except as disclosed above under "- *Litigation proceedings involving our Subsidiaries – Criminal proceedings by our Subsidiaries*" on page 427 and as disclosed below, as on the date of this Red Herring Prospectus, there are no pending criminal proceedings initiated by our Directors:

1. A petition dated October 10, 2017, was filed by Innova Partnership along with its then partners Manoj Kumar Lohariwala and Gian Parkash Aggarwal, before the Hon'ble High Court of Kerala, against the State of Kerala represented by the public prosecutor and Drugs Inspector, Kollam under section 482 of the Code of Criminal Procedure. The petition was filed by the petitioner requesting quashing of order dated January 20, 2017 in relation to the Sessions case no. 277/2013 as the case was not maintainable due to cognizance being wrongfully taken under section 27(c) instead of section 27 (d) of the Drugs and Cosmetics Act, 1940 by the Sessions Judge, Kollam. The petitioner additionally prayed that further proceedings before the Sessions Judge, Kollam be stayed. Pursuant to an order dated October 11, 2017, the High Court of Kerala ordered for an interim stay on the further proceedings of case pending before Sessions Judge, Kollam. The matter is currently pending.

2. A legal notice dated September 19, 2018 was issued to L.D. Group and its proprietor by Archit Jewellers through its sole proprietor, our Director, Archit Aggarwal alleging non-payment of bills amounting to ₹10.86 million in respect of the jewellery purchased from Archit Jewellers under

section 138 of the Negotiable Instruments Act, 1881. Two cheques for encashment of an aggregate amount of ₹10.86 million were issued by L.D. Group in favour of Archit Jewellers. The initial cheque for payment of ₹5.43 million was presented to the bank by our Director. The bank returned the cheque declaring the cheque as dishonoured. Upon intimation to L.D. Group and its proprietor, the proprietor stated default of his banker (Yes Bank) as the reason for failure of encashment of the cheque and requested our Director to encash the second cheque for an amount of ₹5.43 million. Upon presentation of the second cheque to the Bank, it was declared dishonoured as well. Our Director immediately contacted L.D. Group and its proprietor in this regard, but they failed to provide any satisfactory explanations. The legal notice dated September 19, 2018 was issued directing payment of the outstanding amount within 15 days of its receipt, failing which action would be taken under the Negotiable Instruments Act, 1881 in a competent court.

Subsequently, our Director filed a criminal complaint number 19168/2018 dated November 2, 2018 before the Court of LD. Chief Metropolitan Magistrate, Central, Tis Hazari Courts, Delhi against L.D. Group and its proprietor, under sections 138 of Negotiable Instruments Act, 1881 praying to summon the accused and try and punish the accused for non-payment of the due amount in accordance with law. The matter is currently pending.

Our Director also filed a criminal complaint number 17463/2018 dated September 27, 2018 against L.D. Group, its proprietor and Ashok Singh (agent) before the court of Chief Metropolitan Magistrate, Tis Hazari Courts, Delhi, under section 190/200 of the Code of Criminal Procedure for offences under Sections 406/409/420/467/468/471/506/120-B/34 of the Indian Penal Code, alleging fraud and malice in relation to non-payment of the total outstanding amount, and praying to summon the accused and try and punish the accused for the aforementioned offences in accordance with law. The accused made a part-payment of ₹2.00 million upon filing of the criminal complaint number and requested our Director to not proceed with the criminal complaint. However, the accused failed to make payment of the total due amount and our Director decided to proceed with the complaint. The matter is currently pending.

(ii) *Criminal proceedings against our Directors*

As on the date of this Red Herring Prospectus, there are no pending criminal proceedings initiated against our Directors.

(b) Actions by statutory or regulatory authorities

Except as disclosed above under "- *Litigation proceedings involving our Company – Actions by statutory or regulatory authorities*" on page 425 and as disclosed below, there are no pending actions initiated by statutory or regulatory authorities against our Directors, as on the date of this Red Herring Prospectus:

1. A complaint dated February 25, 2019 was filed by Drug Inspector, Nandyal representing the State of Andhra Pradesh before the court of Judicial Magistrate of First Class, Nandyal (Andhra Pradesh), against Innova Partnership and its then partners, Gian Parkash Aggarwal, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala for contravening the provisions of Section 18(a)(i) read with Section 16 of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug Rabidoc LS. The matter is currently pending.

2. A complaint dated March 18, 2013 was filed by Drug Inspector, Kollam representing the State of Kerala before the District and Sessions Judge, Kollam, against Innova Partnership and its then partners, Gian Parkash Aggarwal, Manoj Kumar Lohariwala for contravening the provisions of Section 18(a)(i) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug Rabephex-20. The matter is currently pending.

3. A complaint dated October 3, 2015 was filed by Drugs Inspector, Gujawaka (Sales) representing the State of Andhra Pradesh before the court of 2nd Additional Chief Metropolitan Magistrate, Vishakhapatnam, Andhra Pradesh, against Ushodaya Multicare Hospital, Tengeti Raju, Bylapudi Govinda Raju, Lasya Priya Medicals, G Bhupal Reddy, Moorthy Medical Agencies, B Radha, Innova Partnership, and its then partners, Gian Parkash Aggarwal and Manoj Kumar Lohariwala for contravening the provisions of Section 18(a)(i) read with Section 16(1)(a) of the Drugs and Cosmetics Act, 1940 by manufacturing, selling and distributing the 'Not of Standard Quality' drug

Acenal-P. The matter is currently pending.

4. Our Director, Manoj Kumar Lohariwala received a summons to attend the court of the First Additional Junior Civil Judge at Karimnagar on March 25, 2022, and was directed to appear either in person or through a pleader, to respond to the charges imposed under Rule 106 read with section 18(a)(vi) of the Drugs and Cosmetics Act, 1940 in relation to the complaint filed by Drugs Inspector, Karimnagar, against Innova Partnership and its then partners, Gian Parkash Aggarwal, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, before the court of Additional Junior Civil Judge under section 27(d) of Drugs and Cosmetics Act, 1940.

5. A complaint dated November 14, 2022 ("**Complaint**") was filed by the Drug Inspector, Central Drugs Standard Control Organization (C.D.S.C.O.), Sub Zone Guwahati, representing the Union of India before the court of Judicial Magistrate of First Class, Chief Judicial Magistrate Court Complex, Agartala, against Shaktipada Debnath, Jitender Singh Narula, P K Jain, Innova Partnership and its then partners, Gian Parkash Aggarwal, Manoj Kumar Lohariwala, Vinay Kumar Lohariwala alleging contravention of the provisions of Section 16(1)(a), 18(a)(i) and 18B read with Section 34 of the Drugs and Cosmetics Act, 1940 ("**Drugs Act**"). It was alleged that Section 16(1)(a), 18(a)(i) and 18B read with Section 34 of the Drugs Act were contravened on account of the manufacture, sale and distribution of Rabeprazole Sodium and Itopride (Sustained Release) capsules that were 'Not of Standard Quality'. Hence, it was prayed that the accused persons be summoned, tried, and punished in accordance with the Drugs Act. The matter is currently pending.

6. A complaint dated May 6, 2022 ("**Complaint**") was filed by the Drug Inspector, Adilabad representing the State of Telangana before the Judicial Magistrate of First Class, Adilabad ("**Court**"), against Jitender Singh Narula, Innova Partnership and its then partners, Gian Parkash Aggarwal and Vinay Kumar Lohariwala alleging contravention of the provisions of Section 18(a)(i) read with Section 16(1)(a) and 34 of the Drugs and Cosmetics Act, 1940 ("**Drugs Act**"). It was alleged that Section 18(a)(i) read with Section 16(1)(a) and 34 of the Drugs were contravened on account of the manufacture, sale and distribution of the drug Ferriwok-XT that was 'Not of Standard Quality'. Hence, it was prayed that the Court initiate proceedings against the accused persons and punish them in accordance with the Drugs Act. The matter is currently pending.

7. Summons dated August 7, 2023 ("**Summons**") were issued by the Judicial Magistrate of First Class, Nandyal ("**Court**") to Jitender Singh Narula, Innova Partnership and its then partners, Manoj Kumar Lohariwala and Vinay Kumar Lohariwala ("**Accused**") in relation to the alleged contravention of the provisions of Section 3 of the Essential Commodities Act, 1955 read with Para 24(1) of the Drugs (Price Control) Order, 2013. As per the Summons, the Accused are requested to appear before the Court on March 1, 2024. The matter is currently pending.

(c) ***Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no pending claims related to direct or indirect taxes involving our Directors:

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income Tax	6	110.32
Total		**6**	**110.32**

In addition, set forth hereunder is a description of tax matters which involve an amount exceeding ₹6.80 million, as per the Materiality Policy:

1. A show-cause notice dated March 19, 2022 was issued by the Office of the Assistant Commissioner of Income Tax, Circle 1, Thane to our Director, Mahender Korthiwada under section 148A(b) of the Income Tax Act, 1961, in relation to non-filing of the return of income for the assessment year 2015-16, asking our Director to show-cause for non-issuance of notice under section 148 of the Income Tax Act, 1961. Upon not receiving any response from our Director, the Office of the Assistant Commissioner of Income Tax passed an order dated March 30, 2022 under clause (d) of Section 148A of the Income Tax Act, 1961 directing issuance of another notice to our Director under section 148 of the Income Tax Act, 1961 on the grounds that our Director had not filed his return of income for the Financial Year 2015 relevant to the assessment year 2015-16 and that his

income worth ₹16.47 million had not been accounted for assessment for the year under consideration.

Consequently, our Director, Mahender Korthiwada received a notice dated March 30, 2022, under section 148 of the Income Tax Act, 1961 from the Office of the Assistant Commissioner of Income Tax, directing him to furnish the relevant returns in the prescribed form for the assessment year 2015-16 for assessment of taxable income. The matter is currently pending.

2. A show cause notice dated June 28, 2022 was issued by the Income Tax Department to our Director. Archit Aggarwal under Section 143(2) of the Income Tax Act, 1961(“**Act**”), for complete scrutiny of the returns filed by him for assessment year 2021-2022. Our Director, Archit Aggarwal had filed a return of income under Section139(1) of the Act on March 23, 2022 (“**Return**”) and had declared long term capital gains on sale of unlisted shares in M/s Viney Corporation Limited (“**Sale**”), that had allegedly been gifted to him. In the Return, our Director, Archit Aggarwal had claimed an exemption under Section 54F of the Act for exemption out of the total capital gain.

However, the Income Tax Department did not allow the exemption under Section 54F of the Act as it was determined that the Sale was a short term capital gain. In this regard an assessment order dated December 26, 2022 (“**Order**”) was passed by the Assessment Unit, Income Tax department, that disallowed the exemption claimed under Section 54F of the Act and issued a demand of ₹109.19 million including interest, as the sum payable. The Order also directed that penalty proceedings be initiated under Section 270A of the Act for under-reporting due to misreporting of income. The matter is currently pending.

(d) ***Other pending proceedings***

Except as disclosed below, there are no other pending proceedings involving any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy, as on the date of this Red Herring Prospectus:

1. A legal notice dated September 19, 2018 was issued to L.D. Group and its proprietor by Archit Jewellers through its sole proprietor, our Director, Archit Aggarwal for alleging non-payment of bills amounting to ₹10.86 million in respect of the jewellery purchased from Archit Jewellers under section 138 of the Negotiable Instruments Act, 1881. Two cheques for encashment of an aggregate amount of ₹10.86 million were issued by L.D. Group in favour of Archit Jewellers. The initial cheque for payment of ₹5.43 million was presented to the bank by our Director. The bank returned the cheque declaring the cheque as dishonoured. Upon intimation to L.D. Group and its proprietor, the proprietor stated default of his banker (Yes Bank) as the reason for failure of encashment of the cheque and requested our Director to encash the second cheque for an amount of ₹5.43 million.

Upon presentation of the second cheque to the Bank, it was declared dishonoured as well. Our Director immediately contacted L.D. Group and its proprietor in this regard, but they failed to provide any satisfactory explanations. However, the accused made a part-payment of ₹2.00 million upon filing of the criminal complaint number 17463/2018 and requested our Director to not proceed with the criminal complaint. The legal notice dated September 19, 2018 was issued directing payment of the total outstanding amount within 15 days of its receipt. Upon failure of the accused in making due payments, our Director filed a summary suit number 549/2018 dated December 1, 2018 before the Court of District and Sessions Judge, District-Central, Tis Hazari Courts, Delhi against the accused, praying for a decree for a sum of ₹8.86 million along with costs and future interest at the rate of 18% per annum from the date of filing of the suit till realization in our favour. The matter is currently pending.

Litigation proceedings involving our Promoters

(a) ***Criminal proceedings***

(i) *Criminal proceedings by our Promoters*

Except as disclosed above under “- *Litigation proceedings involving our Subsidiaries – Criminal proceedings by our Subsidiaries*” on page 427 and as disclosed above under “- *Litigation* *proceedings involving our Directors – Criminal proceedings by our Directors*" on page 435, there are no pending criminal proceedings initiated by our Promoters as on the date of this Red Herring Prospectus.

(ii) *Criminal proceedings against our Promoters*

As on the date of this Red Herring Prospectus, there are no criminal proceedings against our Promoters.

(b) *Actions by statutory or regulatory authorities*

Except as disclosed above under "- *Litigation proceedings involving our Company – Actions by statutory or regulatory authorities"* on page 425 and as disclosed above under "- *Litigation proceedings involving our Directors – Actions by statutory or regulatory authorities*" on page 436, there are no pending actions initiated by statutory or regulatory authorities against our Promoters, as on the date of this Red Herring Prospectus.

(c) *Claims related to direct and indirect taxes*

Except as disclosed above under "- *Litigation proceedings involving our Directors – Claims related to direct and indirect taxes"* on page 437, as on the date of this Red Herring Prospectus, there are no pending claims related to direct or indirect taxes involving our Promoters.

(d) *Other pending proceedings*

Except as disclosed above under "- *Litigation proceedings involving our Directors – Other pending proceedings"* on page 438, there are no other pending proceedings involving any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy, as on the date of this Red Herring Prospectus.

(e) *Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Red Herring Prospectus by the Securities and Exchange Board of India or any stock exchange*

No disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Red Herring Prospectus either by SEBI or any stock exchange.

Litigation proceedings involving our Group Companies

As on the date of this Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company.

Outstanding dues to small scale undertakings or any other creditors

In terms of the Materiality Policy, such creditors are considered 'material' to whom the amount due exceeds 5.00 percent of the trade payables of our Company as on June 30, 2023. Based on this, our Company owed a total sum of ₹1,963.48 million to a total number of 931 creditors as on June 30, 2023.

The details of our outstanding dues to the 'material' creditors of our Company, MSMEs, and other creditors, on a consolidated basis, as on June 30, 2023, are as follows:

Particulars	No. of creditors	Amount due (in ₹ million)
MSMEs	56	23.70
'Material' creditors	2	346.31
Other creditors	873	1,593.47*
Total	**931**	**1,963.48**

* *Including provisions and amounts not attributable to individual creditors.*

For complete details of outstanding overdues to material creditors, see www.innovacaptab.com/investor-relations.

It is clarified that such details available on our Company's website do not form a part of this Red Herring

Prospectus. Anyone placing reliance on any other source of information including our Company's website would be doing so at their own risk.

Material Developments

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 356, there have not arisen, since the date of the last Restated Consolidated Financial Information disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Set out below is an indicative list of licenses, approvals, registrations, and permits obtained by our Company and Material Subsidiaries which are considered material and necessary for the purpose of undertaking their business activities, and except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are considered material and necessary for undertaking the current business activities and operations of our Company and Material Subsidiaries. Except as disclosed below, no further material approvals are required for carrying on the present business operations of our Company and Material Subsidiaries. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 214.

For Offer related approvals obtained by our Company, see "Other Regulatory and Statutory Disclosures" on page 445. For the incorporation details of our Company, see "History and Certain Corporate Matters" on page 220. For details of the risk associated with a delay in obtaining, or not obtaining, the requisite material approvals, see "Risk Factors – We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations." on page 42.

I. Material approvals in relation to our business and operations

Tax related approvals

(i) **Our Company**

1. Permanent account number AABCH5082R and tax deduction account number PTLI10936C issued by the Income Tax Department under the Income Tax Act, 1961.

2. Goods and services tax registration issued by the Government of India, under the Central Goods and Services Tax Act, 2017, and the goods and services tax legislations.

(ii) **Univentis Medicare Limited**

1. Permanent account number AABCU8299H and tax deduction account number PTLU10994E issued by the Income Tax Department under the Income Tax Act, 1961.

2. Goods and services tax registration issued by the Government of India, under the Central Goods and Services Tax Act, 2017, and the goods and services tax legislations of various states.

3. Professions tax registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

(iii) **Sharon Bio-Medicine Limited**

1. Permanent account number AAACS8457L and tax deduction account number MUMS19367F issued by the Income Tax Department under the Income Tax Act, 1961.

2. Goods and services tax registration issued by the Government of India, under the Central Goods and Services Tax Act, 2017, and the goods and services tax legislations of various states.

3. Professions tax registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.

Business related approvals

(i) **Our Company**

1. Registration and license to work factories issued under the Factories Act, 1948 to enable our Company to operate a factory within the manufacturing units.

2. Consent or authorization issued by the respective state pollution control boards: (i) to operate under the Water (Prevention and Control of Pollution) Act, 1974; (ii) to operate under the Air (Prevention and Control of Pollution) Act, 1981; and (c) under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016, as applicable, to operate a factory within the manufacturing units.

3. Fire no-objection certificates from the relevant state and municipality fire departments.

4. Licenses under the Drugs and Cosmetics Act, 1940, and the Drugs Rules, 1945, for the manufacture and sale, or whole sale, of various biological or non-biological products, as the case may be.

5. Power availability certificates issued by the Himachal Pradesh State Electricity Board Limited for the sanction of electricity loads.

6. No objection certificate issued by the Himachal Pradesh State Electricity Board Limited for the installation of diesel generators for our manufacturing unit at Plot 81-B, EPIP Phase-I, Jharmajri, Baddi, District Solan, Himachal Pradesh.

7. Certificate for the use of boilers issued by the Boiler Inspection Unit, Himachal Pradesh in respect of the boilers located in our manufacturing unit at Plot 128/1, Hill Top Industrial Estate, Near EPIP Phase-I, Jharmajri, Baddi District Solan, Himachal Pradesh.

8. Permission to manufacture new drugs or investigational new drugs for examination, test and analysis at our manufacturing unit at Plot 128/1, Hill Top Industrial Estate, Near EPIP Phase-I, Jharmajri, Baddi District Solan, Himachal Pradesh from the Central Licensing Authority under the New Drugs and Clinical Trials Rules, 2019.

9. Permission to manufacture formulation of unapproved active pharmaceutical ingredient for examination, test and analysis at our manufacturing unit at Plot 128/1, Hill Top Industrial Estate, Near EPIP Phase-I, Jharmajri, Baddi District Solan, Himachal Pradesh from the Central Licensing Authority under the New Drugs and Clinical Trials Rules, 2019.

(ii) **Univentis Medicare Limited**

1. Licenses under the Drugs & Cosmetics Act, 1940, and the Drugs Rules, 1945, for the whole sale of various biological or non-biological products, as the case may be.

2. License under the Food Safety and Standards Act, 2006, to act as a wholesaler, retailer and distributor of food stuffs intended for particular nutritional use.

(iii) **Sharon Bio-Medicine Limited**

1. Registration and license to work factories issued under the Factories Act, 1948 to operate a factory within the manufacturing units.

2. Consent or authorization issued by the respective state pollution control boards: (i) to operate a facility under the Water (Prevention and Control of Pollution) Act, 1974; (ii) to operate a facility under the Air (Prevention and Control of Pollution) Act, 1981; and (iii) under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016, as applicable, to operate a factory within the manufacturing units.

3. Fire no-objection certificates from the relevant state or municipality fire departments.

4. Licenses under the Drugs and Cosmetics Act, 1940, and the Drugs Rules, 1945, for the manufacture of drugs.

5. Certificate for the use of boilers issued by the Directorate of Steam Boilers in respect of the boilers located in our manufacturing unit at Plot No. L-6, MIDC, Taloja Tal-Panwel, Raigad.

Labour/employment related approvals

(i) **Our Company**

1. Certificates of registration as a principal employer under the Contract Labour (Regulation & Abolition) Act, 1970 issued by relevant registering officer, to enable our Company to employ labour on a contractual basis.

2. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

3. Registration for employees' insurance issued by the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

(ii) **Univentis Medicare Limited**

1. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

2. Registration for employees' insurance issued by the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

(iii) **Sharon Bio-Medicine Limited**

1. Certificate of registration as a principal employer under the Contract Labour (Regulation & Abolition) Act, 1970 issued by relevant registering officer, to enable Sharon to employ labour on a contractual basis for the facility located at Selaqui, Dehradun, Uttarakhand.

2. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952

3. Registration for employees' insurance issued by the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

4. Registration under the Maharashtra Labour Welfare Fund Act, 1953, issued by the Maharashtra Labour Department.

5. Registration under the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 issued by the issued by the Maharashtra Labour Department.

Foreign trade related approvals

(i) **Our Company**

1. Importer-Exporter Code number 0310049415 from the Office of Additional Director General of Foreign Trade, Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

(ii) **Univentis Medicare Limited**

1. Importer-Exporter Code number AABCU8299H from the Office of Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

(iii) **Sharon Bio-Medicine Limited**

3. Importer-Exporter Code number 0395007089 from the Office of Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

II. Material approvals applied for, including renewal applications, but not received

Except as stated below, as on the date of this Red Herring Prospectus, there are no material approvals applied for, including renewal applications, that have not been received by our Company, UML or Sharon:

(i) **Our Company**

Name of approval	Issuing authority	Date of renewal application
Authorisation under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for Plot 81-B EPIP Phase-I, Jharmajri, Baddi, Himachal Pradesh.	Himachal State Pollution Control Board	July 24, 2023

(ii) **Univentis Medicare Limited**

Name of approval	Issuing authority	Date of renewal application
Registration under the Maharashtra State Tax on Professions, Trades, Callings, and Employments Act, 1975.	Profession Tax Officer	November 28, 2023

(iii) **Sharon Bio-Medicine Limited**

Name of approval	Issuing authority	Date of renewal application
Application for issue of NOC to abstract ground water for the facility located at Selaqui, Dehradun, Uttarakhand.	Central Ground Water Authority	November 6, 2023
Application for open / dry inspection for renewal of certificate of boilers for the facility located at Plot No. L-6, M.I.D.C., Taloja, Tal-Panwel, Raigad.	Directorate of Steam Boilers, Maharashtra, Mumbai	December 7, 2023

III. Material approvals expired and renewals yet to be applied for

As on the date of this Red Herring Prospectus, there are no material approvals which have expired and for which renewal applications are yet to be made by our Company, UML or Sharon.

IV. Material approvals required but not applied for

As on the date of this Red Herring Prospectus, there are no material approvals which are required but for which applications are yet to be made by our Company or UML.

Except as disclosed below, as on the date of this Red Herring Prospectus, there are no material approvals which are required but for which applications are yet to be made by Sharon:

1. No-objection certificate for fire fighting measures, from the relevant fire department, for the facility located at Plot No. V-10, Taloja, Navi Mumbai, Maharashtra.

V. Product Registrations

In addition to the material approvals set out above, our Company is required to obtain product registrations in respect of the various drugs we manufacture. In this regard, as on October 31, 2023, our Company had obtained product registrations under the Drugs and Cosmetics Act, 1940, read with the Drugs Rules, 1945, from the Drug Licensing Authority, Himachal Pradesh. Further, as on October 31, 2023, our Company had obtained product registrations in various countries, in respect of certain products we manufacture, from the licensing authorities of the relevant jurisdictions, including the Tanzania Medicines and Medical Devices Authority in Tanzania, the National Drug Authority in Uganda, and the Pharmacy and Poisons Board in Kenya. Certain product registrations may have lapsed in their normal course, and we have made applications to the appropriate authorities for the renewal of such registrations as of October 31, 2023.

VI. Intellectual property

As of October 31, 2023, (i) our Company has obtained Nil trademark registrations, (ii) UML has obtained 88 trademark registrations in classes 5 or 35, and (iii) Sharon has obtained 127 trademark registrations in class 5.

For information about the intellectual property of our Company, UML and Sharon, see *"Our Business – Intellectual Property"* on page 212 and for risks associated with our intellectual property, see "*Risk Factors – If we are unable to protect our intellectual property rights, our business, results of operations and financial condition may be adversely affected. Further, if our products were found to be infringing on the intellectual property rights of a third-party, we could be required to cease selling the infringing products, causing us to lose future sales revenue from such products and face substantial liabilities for patent infringement."* on page 55.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated June 19, 2022 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated June 24, 2022.

Our Board approved the Draft Red Herring Prospectus pursuant to their resolution dated June 27, 2022 and our IPO Committee approved the Addendum to Draft Red Herring Prospectus pursuant to their resolution dated September 12, 2023. Our Board has approved this Red Herring Prospectus pursuant to their resolution dated December 14, 2023.

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Number of Offered Shares in the Offer for Sale	Date of Selling Shareholder's Consent Letter
1.	Manoj Kumar Lohariwala	Up to 1,953,125	December 12, 2023
2.	Vinay Kumar Lohariwala	Up to 1,953,125	December 12, 2023
3.	Gian Parkash Aggarwal	Up to 1,674,107	December 12, 2023

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 16, 2022, and September 15, 2022, respectively.

Prohibition by the Securities and Exchange Board of India or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and each of the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, in relation to the Company, to the extent in force and applicable, as on the date of this Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market.

There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(a) Our Company has had net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

(b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

(c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and

(d) Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Information included in this Red Herring Prospectus, as at and for the Fiscals ended March 31, 2023, 2022, and 2021 is set forth below:

(*₹ in million, unless otherwise stated*)

Particulars	**As at and for the Fiscal ended**		
	March 31, 2023	**March 31, 2022**	**March 31, 2021**
Net tangible assets,[1] as restated and consolidated	2,757.33	2,081.53	1,443.77
Monetary assets,[2] as restated and consolidated	188.75	24.39	118.94
Monetary assets, as restated and consolidated, as a percentage of net tangible assets, as restated and consolidated (in %)	6.85%	1.17%	8.24%
Operating profit,[3] as restated and consolidated	1,025.70	885.17	489.00
Net worth,[4] as restated and consolidated	2,764.62	2,085.62	1,447.77

[1] Net tangible assets, restated and consolidated, mean the sum of all net assets of our Company and excluding intangible assets, each on restated basis and as defined in Indian Accounting Standard 38.
[2] Restated and consolidated monetary assets equals to cash on hand plus balance with bank in current accounts plus balance with bank in deposit accounts plus other bank balances on restated basis.
[3] Restated and consolidated operating profit has been calculated as restated and consolidated net profit before tax excluding other income and finance cost each on a restated and consolidated basis.
[4] Restated and consolidated net worth is the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Our Company has operating profits in each of Fiscal 2023, 2022 and 2021 in terms of our Restated Consolidated Financial Information. Our average operating profit for Fiscals 2023, 2022 and 2021 is ₹799.96 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is 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, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower.

(d) None of our Promoters or Directors has been declared a Fugitive Economic Offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive, Equity Shares, as on the date of this Red Herring Prospectus.

Each of the Selling Shareholders, severally and not jointly, confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 28, 2022, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE 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 PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, our Directors, the Selling Shareholders and the Book Running Lead Managers

Our Company, our Directors, the Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, www.innovacaptab.com, or the website of any affiliate of our Company, would be doing so at his or her own risk. Each Selling Shareholder and their respective affiliates and associates accept or undertake no responsibility for any statements other than those undertaken or confirmed by such Selling Shareholder in relation to themself and their respective portion of the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders, and our Company.

All information shall be made available by our Company, the Selling Shareholders, severally and not jointly (to the extent that the information pertain to themself and their respective portions of the Offered Shares through the Offer Documents), and the Book Running Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Prospective investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, 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 Selling Shareholders, Underwriters, Book Running Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, members of the Promoter Group, the Selling Shareholders and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, members of the Promoter Group, the Selling Shareholders and their respective directors, officers, group companies, affiliates or 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 the Offer will be subject to the jurisdiction of appropriate court(s) in Chandigarh only.

The Offer 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, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, permitted provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

The Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Neither the delivery of this Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date of this Red Herring Prospectus 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 Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. 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 BSE Limited

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, in its letter dated September 16, 2022, is as set out below:

"BSE Limited ("the Exchange") has given vide its letter dated September 16, 2022, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of the National Stock Exchange of India Limited

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, in its letter dated September 15, 2022, is as set out below:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1756 dated September 15, 2022, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares issued pursuant to this Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each Selling Shareholder confirms that they shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditors, Independent Chartered Accountant, Chartered Engineer, legal counsel to the Company as to Indian law, Bankers to our Company, the Book Running Lead Managers, the Registrar to the Offer, and CRISIL MI&A have been obtained, the Monitoring Agency, Syndicate Member, Public Offer Account Bank, Sponsor Banks, Escrow Collection Banks and Refund Account Bank to act in their respective capacities, have been obtained and will be filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act, and such consents will not be withdrawn up to the time of filing of this Red Herring Prospectus with the RoC.

Experts to the Offer

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

Our Company has received written consent dated December 14, 2023 from our Statutory Auditors, B S R & Co. LLP, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated November 10, 2023, on our Restated Consolidated Financial Information, (ii) report dated September 9, 2023, on our Pro Forma Condensed Consolidated Financial Information, and (iii) report dated December 14, 2023, on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiaries, and included in this Red Herring Prospectus.

Our Company has also received written consent dated December 14, 2023, from N B T and Co, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

Additionally, our Company has also received written consent dated December 14, 2023, from the independent chartered engineer, Parashar & Co., to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate on the details of total installed capacity, production and capacity utilization of our Company, the Innova Partnership and Sharon Bio-Medicine Limited included under "*Our Business - Manufacturing – Capacity, Production and Capacity Utilization*" on page 204 of this Red Herring Prospectus.

Further, our Company has received written consent dated December 14, 2023, from N. Bhasin & Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of their certificate on the product registrations and intellectual property of our Company and our Subsidiaries.

Such consents have not been withdrawn as on the date of this Red Herring Prospectus. The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Last issue of subsidiaries and promoters

As on date of this Red Herring Prospectus, our Company does not have a corporate promoter. Further, our listed Subsidiary Sharon has not undertaken any public or rights issue of equity shares in the preceding five years.

Other than Sharon, none of our Subsidiaries are listed on any stock exchange. However, Sharon has been suspended from trading on the BSE pursuant to a letter dated March 19, 2019 from BSE, and on the NSE pursuant to a letter dated March 25, 2019 from NSE. This was on account of a reduction of share capital undertaken by Sharon as per its CIRP resolution plan approved at the time by the NCLT. In addition, as part of the order dated May 17, 2023 issued by the NCLT approving the resolution plan of our Company, Sharon was directed to delist its shares from the Stock Exchanges in accordance with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("**Delisting Regulations**"). Pursuant to this, while an application dated June 6, 2023 was filed by Sharon with the Stock Exchanges to delist its shares, the final approval from the Stock Exchanges is awaited.

For further details, see "*Risk Factors - Our Subsidiary Sharon is currently suspended from trading in the Stock Exchanges. Further, Sharon is yet to receive approval to delist its shares from the Stock Exchanges as part of the corporate insolvency resolution plan.*" and "*History and Certain Corporate Matters*" on pages 56 and 220, respectively.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Red Herring Prospectus.

Capital issue during the previous three years by our Company

Other than as disclosed in "*Capital Structure – Notes to the Capital Structure – Equity share capital history of our Company*" on page 92, our Company has not undertaken a capital issue in the last three years preceding the date of this Red Herring Prospectus.

Capital issue during the previous three years by listed subsidiaries or associates of our Company

Our only listed Subsidiary, Sharon, has not undertaken any capital raise in the three years preceding the date of filing this Red Herring Prospectus. However, Sharon issued shares to UML for consideration paid by UML under the obligation of the resolution plan of our Company. The amount infused by UML was disbursed to the creditors under the resolution plan. UML infused ₹ 1,954.00 million into Sharon pursuant to the resolution plan of which ₹ 10.00 million was infused as equity and ₹ 1,944.00 million as debt.

Further, Sharon has been suspended from trading on the BSE pursuant to a letter dated March 19, 2019 from BSE, and on the NSE pursuant to a letter dated March 25, 2019 from NSE. This was on account of a reduction of share capital undertaken by Sharon as per its CIRP resolution plan approved at the time by the NCLT. In addition, as part of the order dated May 17, 2023 issued by the NCLT approving the resolution plan of our Company, Sharon was directed to delist its shares from the Stock Exchanges in accordance with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended ("**Delisting Regulations**"). Pursuant to this, while an application dated June 6, 2023 was filed by Sharon with the Stock Exchanges to delist its shares, the final approval from the Stock Exchanges is awaited.

For further details, see "*Risk Factors - Our Subsidiary Sharon is currently suspended from trading in the Stock Exchanges. Further, Sharon is yet to receive approval to delist its shares from the Stock Exchanges as part of the corporate insolvency resolution plan.*" and "*History and Certain Corporate Matters*" on pages 56 and 220, respectively.

Our Company does not have any other listed subsidiaries or any associates, as on the date of this Red Herring Prospectus.

Price information of past issues handled by the Book Running Lead Managers

A. ICICI Securities Limited

1. Price information of past issues handled by ICICI Securities Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Offer Name	Offer Size (₹ in million)	Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)[(2)]	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing [(3) (4) (5)]	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing [(3) (4) (6)]	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing [(3) (4) (7)]
1.	Zaggle Prepaid Ocean Services Limited^^	5,633.77	164.00	22-Sep-23	164.00	+30.95%, [-0.67%]	NA*	NA*
2.	Signatureglobal (India) Limited^^	7,300.00	385.00	27-Sep-23	444.00	+35.79%, [-4.36%]	NA*	NA*
3.	JSW Infrastructure Limited^	28,000.00	119.00	03-Oct-23	143.00	+41.34% [-2.93%]	NA*	NA*
4.	Blue Jet Healthcare Limited^^	8,402.67	346.00	01-Nov-23	380.00	+4.08% [+6.02%]	NA*	NA*
5.	Cello World Limited^^	19,000.00	648.00[(1)]	06-Nov-23	829.00	+21.92% [+7.44%]	NA*	NA*
6.	ESAF Small Finance Bank Limited^	4,630.00	60.00[(2)]	10-Nov-23	71.90	+12.87%, [+7.58%]	NA*	NA*
7.	Protean eGov Technologies Limited^	4,892.02	792.00[(3)]	13-Nov-23	792.00	+45.21%,[+7.11%]	NA*	NA*
8.	ASK Automotive Limited^^	8,339.13	282.00	15-Nov-23	303.30	+2.73% [+7.66%]	NA*	NA*
9.	Gandhar Oil Refinery (India) Limited^^	5,006.92	169.00	30-Nov-23	298.00	NA*	NA*	NA*
10.	Fedbank Financial Services Limited^^	10,922.64	140.00 [(4)]	30-Nov-23	138.00	NA*	NA*	NA*

**Data not available*

^BSE as designated stock exchange

^^NSE as designated stock exchange

(1) Discount of Rs. 61 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 648.00 per equity share.

(2) Discount of Rs. 5 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 60.00 per equity share.

(3) Discount of Rs. 75 per equity share offered to eligible employees. All calculations are based on issue price of Rs. 792.00 per equity share.

(4) Discount of Rs. 10 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 140.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days 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%
2023-24*	13	1,11,731.30	-	-	-	2	5	4	-	-	-	-	-	-
2022-23	9	2,95,341.82	-	1	3	-	3	2	-	1	1	-	5	2
2021-22	26	7,43,520.19	-	3	6	6	4	7	3	4	5	5	4	5

** This data covers issues up to YTD*

Notes:

1. *Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company.*
2. *Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day.*

B. JM Financial Limited

1. Price information of past issues handled by JM Financial Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Offer Name	Offer Size (₹ in million)	Offer Price (₹)	Listing Date	Opening Price on Listing Date (₹)(2)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing (3) (4) (5)	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing (3) (4) (6)	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing (3) (4) (7)
1.	Fedbank Financial Services Limited[10]	10,922.64	140.00	November 30, 2023	138.00	Not Applicable	Not Applicable	Not Applicable
2.	Tata Technologies Limited	30,425.14	500.00	November 30, 2023	1,199.95	Not Applicable	Not Applicable	Not Applicable
3.	ASK Automotive Limited*	8,339.13	282.00	November 15, 2023	303.30	2.73% [7.66%]	Not Applicable	Not Applicable
4.	Honasa Consumer Limited*[9]	17,014.40	324.00	November 7, 2023	330.00	17.58% [7.89%]	Not Applicable	Not Applicable
5.	Cello World Limited*[8]	19,000.00	648.00	November 6, 2023	829.00	21.92% [7.44%]	Not Applicable	Not Applicable
6.	JSW Infrastructure Limited[#]	28,000.00	119.00	October 3, 2023	143.00	41.34% [-2.93%]	Not Applicable	Not Applicable
7.	Zaggle Prepaid Ocean Services Limited*	5,633.77	164.00	September 22, 2023	164.00	30.95% [-0.67%]	Not Applicable	Not Applicable
8.	Samhi Hotels Limited[#]	13,701.00	126.00	September 22, 2023	130.55	15.16% [-0.93%]	Not Applicable	Not Applicable
9.	R R Kabel Limited[#7]	19,640.10	1,035.00	September 20, 2023	1,179.00	34.45% [-1.75%]	Not Applicable	Not Applicable
10.	Jupiter Life Line Hospitals Limited*	8,690.76	735.00	September 18, 2023	973.00	42.27% [-1.60%]	Not Applicable	Not Applicable

Source: www.nseindia.com and www.bseindia.com
[#] BSE as Designated Stock Exchange
** NSE as Designated Stock Exchange*
Notes:

1. *Opening price information as disclosed on the website of the designated stock exchange.*
2. *Change in closing price over the issue/offer price as disclosed on designated stock exchange.*
3. *For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*
7. *A discount of Rs. 98 per equity share was offered to eligible employees bidding in the employee reservation portion.*
8. *A discount of Rs. 61 per equity share was offered to eligible employees bidding in the employee reservation portion.*
9. *A discount of Rs. 30 per equity share was offered to eligible employees bidding in the employee reservation portion.*
10. *A discount of Rs. 10 per equity share was offered to eligible employees bidding in the employee reservation portion.*
11. *Not Applicable – period not completed*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2023-2024	14	190,409.39	-	-	1	2	4	5	-	-	-	-	-	1
2022-2023	11	316,770.53	-	1	3	-	5	2	-	2	2	2	3	2
2021-2022	17	289,814.06	-	1	2	5	5	4	1	2	3	4	3	4

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012, issued by SEBI, please see the website of the Book Running Lead Managers, as set forth in the table below:

S. No.	Name of the Book Running Lead Managers	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	JM Financial Limited	www.jmfl.com

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances in the Offer

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted 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 enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 82.

SEBI, by way of its circular dated March 16, 2021 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. Pursuant to the circular dated March 16, 2021, 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 containing statistical details of mandate blocks/unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Member to once per Bid/Batch; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

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 / Offer Closing Date, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, 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 / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI master circular with circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, 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 amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 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 Allotted 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 Book Running Lead Managers shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

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/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.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI master circular with circular number 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.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, 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, name and address of the Book Running Lead Managers, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES in compliance with the SEBI master circular bearing reference number SEBI/HO/OIAE/IGRD/P/CIR/2022 dated November 7, 2022, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see "*Our Management*" on page 230.

Our Company has also appointed Neeharika Shukla, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information – Company Secretary and Compliance Officer*" on page 83. Each of the Selling Shareholders, severally and not jointly, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on their behalf, any investor grievances received in the Offer in relation to their respective portion of the Offered Shares.

Our Company has not received any investor complaint during the three years preceding the date of this Red Herring Prospectus.

Further, no investor complaint in relation to our Company was pending as on the date of the Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Exemptions from complying with any provision of securities laws, if any, granted by the Securities and Exchange Board of India

Our Company has not made any application under Regulation 300(1)(c) of the SEBI ICDR Regulations for seeking an exemption from complying with any provisions of securities laws by SEBI as on the date of this Red Herring Prospectus.

SECTION VIII - OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered 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 this Offer and to the extent applicable, or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*", on page 103.

Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 489.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum of Association and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 259 and 489, respectively.

Face Value, Price Band and Offer Price

The face value of the Equity Shares is ₹10. The Floor Price of Equity Shares is ₹[●] per Equity Share and the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share. The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised in all editions of the English national daily newspaper Financial Express, all editions of the Hindi national daily newspaper Jansatta, and the Mumbai edition of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

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 Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting rights, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including rules framed by the RBI; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation/splitting, see "*Main Provisions of the Articles of Association*" on page 529.

Allotment of Equity Shares 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. Hence, the Equity Shares offered through this Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- Tripartite agreement dated April 6, 2022, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated March 28, 2022, amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Offer Procedure*" on page 467.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The courts of Chandigarh, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "*Offer Structure – Bid/Offer Programme*" on page 464.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the 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 varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. 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. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Collecting Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid / Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid / Offer Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under this Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond four days, our Company and the Selling Shareholders, to the extent applicable, shall pay interest as prescribed under applicable law.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue. Subject to any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made (a) first towards, such number of Offered Shares offered by Gian Parkash Aggarwal that would result in the post-Offer shareholding of Gian Parkash Aggarwal to be not more than 24.90%; (b) next towards, the balance Fresh Issue; and (c) finally, towards the sale of the balance Offered Shares.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees 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. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

The Selling Shareholders shall reimburse any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares (subject to the exceptions provided under the SEBI ICDR Regulations), the Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 92, and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 489.

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.

Withdrawal of the Offer

The Offer shall be withdrawn in the event that 90% of the Fresh Issue portion of the Offer is not subscribed.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer 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-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, 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 Offer to process refunds to the Anchor Investors, as the case may be. In the event of withdrawal of the Offer 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 Offer 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.

OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹3,200.00 million by our Company and an Offer of Sale of up to 5,580,357 Shares aggregating up to ₹[●] million by the Selling Shareholders. The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

Our Company, in consultation with the BRLMs, has undertaken the Pre-IPO Placement. The size of the Fresh Issue of up to ₹4,000.00 million as disclosed in the Draft Red Herring Prospectus has, in the aggregate, been reduced by ₹800.00 million pursuant to the Pre-IPO Placement and, accordingly, the revised size of the Fresh Issue is up to ₹3,200.00 million.

Particulars	QIBs (1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* (2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Offer size shall be allocated to QIB Bidders. However, 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 balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation 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 Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third 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	The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Offer Procedure"* on page 467.

Particulars	QIBs [(1)]	Non-Institutional Bidders	Retail Individual Bidders
		Shares, if any, shall be allotted on a proportionate basis. For details, see "*Offer Procedure*" on page 467.	
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000, and in multiples of [●] Equity thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of [●] Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply[(3)]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, eligible 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 ₹250 million, pension funds with minimum corpus of ₹250 million 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, 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 recategorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
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[(4)] **In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI mechanism.		

* *Assuming full subscription in the Offer*

(1) *Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor*

Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 467.

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Offer" on page 458.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bids by Foreign Portfolio Investors with certain structures as described under "Offer Procedure - Bids by Foreign Portfolio Investors" on page 473 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.

Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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.

Bid/Offer Programme

BID/ OFFER OPENS ON*	**Thursday, December 21, 2023**
BID/ OFFER CLOSES ON#**	**Tuesday, December 26, 2023**

**Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date i.e., Wednesday, December 20, 2023.*
***Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
 # UPI Mandate end date and time shall be 5.00 pm on the Bid / Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Wednesday, December 27, 2023
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account*	On or about Thursday, December 28, 2023
Allotment of Equity Shares/ Credit of Equity Shares to demat accounts of Allottees	On or about Thursday, December 28, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, December 29, 2023

** (i) 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 for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is* *higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

The processing fees for applications made by the UPI Bidders 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.

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs. 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 three Working Days from the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays 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. Each Selling Shareholder confirms that it shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers 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/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the listing timelines. Further, the Offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer 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 Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (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 ₹500,000	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer 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 date and time shall be 5.00 pm on the Bid / Offer Closing Date.*
[#] *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST in case of Bids by QIBs and NIBs, and

(ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges. On the Bid/Offer 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 up to the closure of timings and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time, from the Bid/ Offer Opening Date till the Bid/Offer 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 BRLMs and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Member shall preferably be allowed only once per bid/batch and as deemed fit by the concerned Stock Exchange, after closure of the time for uploading Bids.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which 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, will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 12.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer 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 on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. 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, Sundays 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/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, the Company may and the Selling Shareholders, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer 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 BRLMs and at the terminals of the Syndicate Member 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 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.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Offers 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 (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (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; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through the UPI Circulars has proposed to introduce 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 in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds was discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) could only use UPI Mechanism with the timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 ("**UPI Phase II**"). Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**") has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023**. The Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.** Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular came into force for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus. The SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023, has consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for RTAs. The provisions of the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022, are also deemed to form part of this Red Herring Prospectus. 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.*

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/DCR2/CIR/P/2019/133 dated November 8, 2019 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.

Further, our Company, the Selling Shareholders and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 Equity Shares that can be held by *them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.*

Our Company, the Selling Shareholders and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders in consultation with the BRLMs 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 them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

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, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

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 releases dated June 25, 2021, September 17, 2021 and March 28, 2023, and any subsequent press releases in this regard.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through 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.

Phased implementation of Unified Payments Interface ("UPI") for Bids by Retail Individual Bidders as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders 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 and implemented the UPI payment mechanism in three phases in the following manner:

(a) **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 until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase was 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 decided to extend the timeline for implementation of UPI Phase II until 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 physical ASBA Form by an RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds had been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

(c) **Phase III:** In this phase, the time duration from public issue closure to listing will be reduced to be three Working Days. SEBI vide press release bearing number 12/2023 had approved the proposal for reducing the time period for listing of shares in public issue from existing six working days to three working days, and pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the reduced time period of three working days has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023. The Offer will be made under UPI Phase III of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time.

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–Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering 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.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

a) 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 the Book Building process on a regular basis before the closure of the Offer.

b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

c) 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/ Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office and at our Corporate Office. An electronic copy of the ASBA Form 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/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual 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 Retail Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Retail Individual 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.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Offer must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the RIBs 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 NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

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 prescribed colour of the Bid cum Application Forms for 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	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	Blue
Anchor Investors	White

** Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), 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 Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

For all pending UPI Mandate Requests, the Sponsor Bank(s) 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 first Working Day after the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) 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(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) 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 Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer 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 Offer Bidding process.

Participation by Promoter, Promoter Group, the Book Running Lead Managers, associates and affiliates of the Book Running Lead Managers and the Syndicate Member and the persons related to Promoter, Promoter Group, Book Running Lead Managers and the Syndicate Member and Bids by Anchor Investors

The BRLMs and the Syndicate Member shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Member may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

In terms of SEBI ICDR Regulations, no BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion, except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs, other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if: (i) 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 (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds 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 Non-Resident Indians

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts ("**NRE Account**"), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer 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.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated June 24, 2022, passed by our Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 487.

Bids by Hindu Undivided Families

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where

XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by Foreign Portfolio Investors

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase 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 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.

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 BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure in accordance with the SEBI master circular bearing reference number EBI/HO/AFD-2/CIR/P/2022/175 dated December 19, 2022, provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;

- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;

- 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.

- Multiple branches in different jurisdictions of foreign bank registered as FPIs;

- Government and Government related investors registered as Category 1 FPIs; and
- 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 compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors registered with the Securities and Exchange Board of India

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 Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

The 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. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

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.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves 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 is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) 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/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by Self Certified Syndicate Banks

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012, and January 2, 2013 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 Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**") read with the Investments – Master Circular issued by the IRDAI on October 27, 2022, and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

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, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the BRLMs, 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 in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, 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 BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

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.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. 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 ₹100 million.

(c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and the Selling Shareholders and in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;
- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and
- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors can not withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the 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, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of BRLMs or AIFs sponsored by the entities which are associates of the BRLMs or FPIs, other than individuals, corporate bodies and family offices which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs) can apply in the Offer under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus, when filed. 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 and as specified in this Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

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 BRLMs 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 the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express, a widely circulated English national daily newspaper, all editions of Jansatta, a widely circulated Hindi national daily newspaper, and the Mumbai edition of Navshakti, a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the Registrar of Companies

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

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. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID;

4. UPI Bidders 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;

5. UPI Bidders 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. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. 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;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

9. 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;

10. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

11. Ensure that they have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

13. 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 Collecting 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;

14. 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;

15. 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;

16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid

was placed and obtain a revised acknowledgment;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. 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;

20. 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;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. 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;

25. 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.

26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

27. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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 http://www.sebi.gov.in);

28. 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(s), 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;

29. UPI Bidders 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 authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;

30. UPI 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;

31. UPI Bidders 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(s) 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;

32. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date.

35. 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 releases dated June 25, 2021, September 17, 2021 and March 28, 2023, and any subsequent press releases in this regard.

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 for a Bid Amount exceeding ₹200,000 (for Bids by RIBs);

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "- *Bids by Hindu Undivided Families*" on page 472;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

14. Do not submit your Bid (for physical applications) after 1.00 pm on the Bid/Offer Closing Date;

15. If you are a QIB, do not submit your Bid after 3:00 p.m. on the QIB Bid / Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID

18. Do not submit the General Index Register (GIR) number instead of the PAN;

19. 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 Offer;

20. 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 UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids until the Bid/Offer Closing Date;

22. 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;

23. 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 Bidders using the UPI Mechanism;

24. 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;

25. 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);

26. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

27. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

28. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

29. Anchor Investors shall not bid through the ASBA Process;

30. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

31. 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 UPI Bidders using the UPI Mechanism); and

32. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Managers*" on page 83.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹200,000 (net of retail discount);

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information*" on page 82.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

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 BRLMs 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 the Securities and Exchange Board of India from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through this Red Herring Prospectus 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 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders, Non-Institutional Bidders 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 Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Individual Bidder category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares

Payment into Escrow Account(s) for Anchor Investors

Our Company and the Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice 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 Offer 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:

(i) In case of resident Anchor Investors: "*INNOVA CAPTAB LIMITED – ANCHOR R*"
(ii) In case of non-resident Anchor Investors: "*INNOVA CAPTAB LIMITED – ANCHOR NR*"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Allotment Advertisement

The Allotment Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, before 9.00 p.m. IST, on the date of receipt of the final listing and trading approval from the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from the Stock Exchanges is received prior to 9.00 p.m. IST on that day. In the event that the final listing and trading approval from the Stock Exchanges is received post 9.00 p.m. IST on that day, then the Allotment

Advertisement shall be uploaded on the websites of our Company, BRLMs and Registrar to the Offer, following the receipt of final listing and trading approval from the Stock Exchanges.

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement not later than one day after the date of commencement of trading, disclosing the date of commencement of trading in all editions of a widely circulated English national daily newspaper, Financial Express, all editions of a widely circulated Hindi national daily newspaper, Jansatta, and Mumbai editions of a widely circulated Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered Office is located).

Depository Arrangements

The Allotment of the Equity Shares in the Offer 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 amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 6, 2022, amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated March 28, 2022, amongst our Company, CDSL and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Offer 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 law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law 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/Offer Closing Date or such other time as may be prescribed;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer 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 applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company and Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer 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 and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholders subsequently decide to proceed with the Offer thereafter;

(viii) 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

(ix) Except for the allotment of Equity Shares pursuant to the Fresh Issue, no further issue of Equity Shares shall be made until the Equity Shares issued or offered through this 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.

Undertakings by the Selling Shareholders

The Selling Shareholders, severally and not jointly, undertake the following in respect of themself as the Selling Shareholders, and the Offered Shares:

(i) that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;

(ii) that they are the legal and beneficial owner of, and have clear and marketable title to the Offered Shares;

(iii) that it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

(iv) that the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;

(v) that they shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Offered Shares;

(vi) that it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the Share Escrow Agreement;

(vii) that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and

(viii) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares.

Utilisation of Offer Proceeds

Our Board certifies that:

- all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: "*Any person who – (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447*." The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million 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 ₹5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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 has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. 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, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. In the event such prior approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI Policy, FDI in companies engaged in the pharmaceuticals sector is permitted up to 100% of the paid-up share capital in greenfield projects under the automatic route, subject to compliance with certain pricing guidelines and reporting requirements. Investments in brownfield projects is permitted up to 74% under the automatic route, and investments in brownfield projects beyond 74% is permissible through the government approval route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see "*Offer Procedure*" on page 467.

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur. There will be no public offering of Equity Shares in the United States.

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

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

PART -A*

1. Table F Applicable

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company, except so far as they are embodied in the Articles, which shall be regulations for the management of the Company, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to the Articles by Special Resolution as prescribed by the said Companies Act, 2013.

INTERPRETATION CLAUSE

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

Act

(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time 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

(b) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

Articles

(c) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

Auditors

(d) "Auditors" means and includes those persons appointed as such for the time being of the Company in terms of the Act.

Inserted vide Special Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on July 19, 2022.

Board

(e) "Board" means the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.

Capital or Share Capital

(f) "Capital" or "Share Capital" means the share capital, comprising the equity share capital and preference share capital, as the case may be, for the time being raised or authorized to be raised by the Company in terms of these Articles, the Act and the memorandum of association of the Company.

Chairperson

(g) "Chairperson" means the chairperson of the board of directors for the time being of the Company.

Company

(h) “The Company” shall mean INNOVA CAPTAB LIMITED.

Depositories Act

(i) “Depositories Act” means the Depositories Act, 1996, and shall include any statutory modification or re-enactment thereof.

 # Shares

(j) “Shares” means a share in the Share Capital of the Company and includes stock.

Executor or Administrator

(k) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

Legal Representative

(l) "Legal Representative" means a person who in law represents the estate of a deceased Member.

Gender

(m) Words importing the masculine gender also include the feminine gender.

In Writing and Written

(n) “In Writing” and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.

Marginal notes

(o) The marginal notes hereto shall not affect the construction thereof.

Meeting or General Meeting

(p) “Meeting” or “General Meeting” means a meeting of members.

 # Altered vide Special resolution passed by the shareholders of the Company at the extra-ordinary general meeting held on June 24, 2022.

Member

(q) “Member” means a member of the Company within the meaning of Clause (55) of Section 2 of the Act, as amended from time to time, and who are the duly registered holders, from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996;

Month

(r) “Month” means a calendar month.

Extra-Ordinary General Meeting

(s) “Extra-Ordinary General Meeting” means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

National Holiday

(t) “National Holiday” means and includes a day declared as National Holiday by the Central Government.

Non-retiring Directors

(u) “Non-retiring Directors” means a director not subject to retirement by rotation.

Office

(v) "Office” means the registered Office for the time being of the Company.

Ordinary and Special Resolution

(w) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.

Person

(x) “Person" shall be deemed to include corporations and firms as well as individuals.

Proxy

(y) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

Register of Members

(z) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

Seal

(aa) “Seal” means the common seal for the time being of the Company.

Singular number

(bb) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

Statutes

(cc) “The Statutes” means the Companies Act, 2013, as amended, and every other statute for the time being in force affecting the Company.

These presents

(dd) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

Variation

(ee) “Variation” shall include abrogation; and “vary” shall include abrogate.

Year and Financial Year

(ff) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

Expressions in the Act to bear the same meaning in Articles

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

3. Construction

In these Articles (unless the context requires otherwise):

(i) References to a Party shall, where the context permits, include such Party's respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and Sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or sub-division or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.

CAPITAL

4. Authorized Capital

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

5. Increase of capital by the Company how carried into effect

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

6. Further Issue of Share Capital

(1) The Board or the Company, as the case may be, may, in accordance with the Act and the rules made thereunder, issue further shares to - (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder, including any amendment thereof from time to time.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

7. New Capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these Presents, 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 instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

8. Non-Voting Shares

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

9. Redeemable or Convertible Preference Shares

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable or convertible preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

10. Voting rights of preference shares

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

11. Provisions to apply on issue of Redeemable Preference Shares

On the issue of redeemable preference shares under the provisions of Article 9 hereof, the following provisions-shall take effect:

(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) No such Shares shall be redeemed unless they are fully paid;

(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;

(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and

(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

12. Reduction of capital

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

(a) the share capital;
(b) any capital redemption reserve account; or
(c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

13. Terms of issue of Debentures

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

14. Issue of Sweat Equity Shares

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

15. ESOP

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

16. Buy Back of shares

Notwithstanding anything contained in these Articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

17. Consolidation, Sub-Division and Cancellation

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

18. Alteration of Share Capital

The Company shall have the power to alter its share capital in the manner permitted under the provisions of section 61 of the Act from time to time.

19. Issue of Depository Receipts

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

20. Issue of Securities

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

21. Register of Members

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

MODIFICATION OF CLASS RIGHTS

22. Modification of rights.

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

New Issue of Shares not to affect rights attached to existing shares of that class.

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

23. Shares at the disposal of the Directors.

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

24. Power to issue shares on preferential basis.

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

25. Shares should be Numbered progressively and no share to be subdivided.

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

26. Acceptance of Shares.

An application signed by or on behalf of an applicant for shares in the Company, followed by an 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 shall for the purposes of these Articles, be a Member.

27. Directors may allot shares as full paid-up

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

28. Deposit and call etc.to be a debt payable immediately.

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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

29. Liability of Members.

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

30. Registration of Shares.

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

31. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act

CERTIFICATES

32. Share Certificates.

(a) 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 provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

33. Issue of new certificates in place of those defaced, lost or destroyed.

(a) 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, a new Certificate may be issued in lieu thereof, and if any certificate 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.

(b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

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 and that fees will also not be charged for registration of transfer, transmission, succession certificate, certificate of death or marriage.

FURTHER 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 Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

34. The first named joint holder deemed Sole holder.

(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

Maximum number of joint holders.

(b) The Company shall not be bound to register more than three persons as the joint holders of any share.

35. Company not bound to recognise any interest in share other than that of registered holders.

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

36. Instalment on shares to be duly paid.

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the 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.

UNDERWRITING AND BROKERAGE

37. Commission

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

38. Brokerage

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

CALLS

39. Directors may make calls

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

40. Notice of Calls

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

41. Calls to date from resolution.

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

42. Calls on uniform basis.

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

43. Directors may extend time.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

44. Calls to carry interest.

If any Member fails to pay any call due from him 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 such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

45. Sums deemed to be calls.

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

46. Proof on trial of suit for money due on shares.

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

47. Judgment, decree, partial payment motto proceed for 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 thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

48. Payments in Anticipation of calls may carry interest

(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.

(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

(c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

LIEN

49. Company to have Lien on shares/debentures.

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) 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 such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

50. Fully paid shares to be free from all lien

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

51. As to enforcing lien by sale.

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any)

entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer.
Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

52. Application of proceeds of sale.

The net proceeds of any such sale shall be received by the Company and applied in or towards 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 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.

FORFEITURE AND SURRENDER OF SHARES

53. If call or instalment not paid, notice may be given.

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

54. Terms of notice.

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

55. On default of payment, shares to be forfeited.

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

56. Notice of forfeiture to a Member

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

57. Forfeited shares to be property of the Company and may be sold etc.

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, 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 in their absolute discretion shall think fit.

58. Members still liable to pay money owing at time of forfeiture and interest.

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

59. Effect of forfeiture.

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand 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 are expressly saved.

60. Evidence of Forfeiture.

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

61. Title of purchaser and allottee of Forfeited shares.

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

62. Cancellation of share certificate in respect of forfeited shares.

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

63. Forfeiture may be remitted.

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

64. Validity of sale

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of 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 the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

65. Surrender of shares.

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

TRANSFER AND TRANSMISSION OF SHARES

66. Execution of the instrument of shares.

(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

67. Transfer Form.

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form.

68. Transfer not to be registered except on production of instrument of transfer.

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

69. Directors may refuse to register transfer.

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

70. Notice of refusal to be given to transferor and transferee.

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

71. No fee on transfer.

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

72. Closure of Register of Members or debenture holder or other security holders

The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

73. Custody of transfer Deeds.

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

74. Application for transfer of partly paid shares.

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

75. Notice to transferee.

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

76. Recognition of legal representative.

(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.

(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

77. Titles of Shares of deceased Member

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or

Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Section 72 of the Act.

78. Notice of application when to be given

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

79. Registration of persons entitled to share otherwise than by transfer (transmission clause).

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

80. Refusal to register nominee.

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

81. Board may require evidence of transmission.

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

82. Company not liable for disregard of a notice prohibiting registration of transfer

The Company shall incur no liability or responsibility whatsoever 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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do 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 Directors shall so think fit.

83. Form of transfer Outside India.

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

84. No transfer to insolvent etc.

No transfer shall be made to any minor, insolvent or person of unsound mind.

NOMINATION

85. Nomination

i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013, shall apply in respect of such nomination.

ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014.

iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

86. Transmission of Securities by nominee

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(i) to be registered himself as holder of the security, as the case may be; or

(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;

(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;

(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

DEMATERIALISATION OF SHARES

87. Dematerialisation of Securities

1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.

2) Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a

depository, if permitted by the law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

3) If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.

4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, 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 thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.

5) All Shares held by a depository shall be dematerialized and shall be in a fungible form.

6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.

7) Save as otherwise provided in (6) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.

8) Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by law including any form of electronic medium.

9) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.

12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

JOINT HOLDER

88. Joint Holders

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

89. Joint and several liabilities for all payments in respect of shares.

(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

Title of survivors.

(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

Receipts of one sufficient.

(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

Delivery of certificate and giving of notices to first named holders.

(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

CONVERSION OF SHARES INTO STOCK

90. Conversion of shares into stock or reconversion.

The Company may, by ordinary resolution in General Meeting.

a) convert any fully paid-up shares into stock; and

b) re-convert any stock into fully paid-up shares of any denomination.

91. Transfer of stock.

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

92. Rights of stock holders.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.

93. Regulations.

Such of the regulations of the Company as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.

BORROWING POWERS

94. Power to borrow.

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

95. Issue of discount etc. or with special privileges.

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

96. Securing payment or repayment of Moneys borrowed.

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

97. Bonds, Debentures etc. to be under the control of the Directors.

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

98. Mortgage of uncalled Capital.

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

99. Indemnity may be given.

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

MEETINGS OF MEMBERS

100. Distinction between AGM & EGM.

All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.

101. Extra-Ordinary General Meeting by Board and by requisition

(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

Proceedings at General Meeting

(b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

(c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

When a Director or any two Members may call an Extra Ordinary General Meeting

(d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

102. Length of Notice of general meeting

A general meeting of the Company may be called by giving at least clear twenty one day's notice in writing or through electronic mode. However, a general meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less such number of the members entitled to vote at such meeting as may be specified in the Act and rules thereof.

Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at meeting and not on others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.

103. General meeting not to transact business not mentioned in notice

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

104. Chairperson of General Meeting

The Chairperson (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairperson of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairperson of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairperson as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

105. Business confined to election of Chairperson or Vice Chairperson whilst chair is vacant.

No business, except the election of a Chairperson or Vice Chairperson, shall be discussed at any General Meeting whilst the Chair is vacant.

106. Chairperson with consent may adjourn meeting.

a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

107. Chairperson's casting vote.

In the case of an equality of votes the Chairperson shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

108. In what case poll taken without adjournment.

Any poll duly demanded on the election of Chairperson or Vice Chairperson of the meeting or any question of adjournment shall be taken at the meeting forthwith.

109. Demand for poll not to prevent transaction of other business.

The demand for a poll except on the question of the election of the Chairperson or Vice Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTES OF MEMBERS

110. Members in arrears not to vote.

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum 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 or lien.

111. Number of votes each member entitled.

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

112. Casting of votes by a member entitled to more than one vote.

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

113. Vote of member of unsound mind and of minor

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

114. Postal Ballot

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General

Meeting of the Company.

115. E-Voting

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

116. Votes of joint members.

a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.

b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

117. Votes may be given by proxy or by representative

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles

118. Representation of a body corporate.

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

119. Members paying money in advance.

(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

Members not prohibited if share not held for any specified period.

(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

120. Votes in respect of shares of deceased or insolvent members.

Any person entitled under Article 79 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

121. No votes by proxy on show of hands.

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a

Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

122. Appointment of a Proxy.

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

123. Form of proxy.

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

124. Validity of votes given by proxy notwithstanding death of a member.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

125. Time for objections to votes.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

126. Chairperson of the Meeting to be the judge of validity of any vote.

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

DIRECTORS

127. Number of Directors

(a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable law.

(b) The first directors of the Company were:

a. Mr. Muppidathy Sivan Thevar
b. Mrs. Vasanthi M. Thevar

128. Qualification shares.

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

129. Nominee Directors.

(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.

(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other committee constituted by the Board.

130. Appointment of alternate Director.

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

131. Additional Director

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

132. Directors power to fill casual vacancies.

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

133. Remuneration of Directors and Sitting Fees.

a) The Company shall pay such remuneration to its non-executive Directors from to time by way of commission or otherwise. All remuneration / compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in the General meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

b) Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or committees thereof.

134. Travelling expenses Incurred by Director on Company's business.

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

PROCEEDINGS OF THE BOARD OF DIRECTORS

135. Meetings of Directors.

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.

(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(c) The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means. The meetings of the Board conducted through video conferencing or such other permitted means, the procedures and the precautions as laid down in the relevant Act and the rules thereof shall be adhered to.

(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. Subject to applicable law, any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

(e) **Notice of the Board Meeting**: 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 email address or address whether in India or abroad, provided that a meeting may be convened on shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

136. Quorum

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

137. Chairperson and Vice Chairperson

a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairperson of the Board and determine the period for which he is to hold office. The chairperson shall preside at all meetings of the Board and the general meeting of the Company. The chairperson shall have a casting vote in the event of a tie.

b) If at any meeting of the Board, the Chairperson is not present within fifteen minutes after the time appointed for holding the same or is unwilling to act as chairperson, the Vice Chairperson shall preside at the meeting and in the absence of the Vice Chairperson as well, the Directors present may appoint any one of the Directors among themselves as the chairperson.

c) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairperson as well as the Managing Director or Chief Executive Officer at the same time.

138. Questions at Board meeting how decided.

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson or the Vice Chairperson, as the case may be, will have a second or casting vote.

139. Continuing directors may act notwithstanding any vacancy in the Board

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

140. Directors may appoint committee.

(a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations.

(b) Subject to the provisions of the Act, the Board may delegate any of their powers to a committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

141. Committee Meetings how to be governed.

The Meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

142. Chairperson of Committee Meetings

a) A committee may elect a Chairperson of its meetings.

b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

143. Meetings of the Committee

a) A committee may meet and adjourn as it thinks fit.

b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

145. Power to fill casual vacancy

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the

Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

POWERS OF THE BOARD

146. Powers of the Board

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

147. Certain powers of the Board

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say:

To erect & construct.

(1) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

To pay for property.

(2) At their discretion and subject to the provisions of the Act, the Directors may pay for property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

To insure properties of the Company.

(3) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

To open Bank accounts.

(4) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

To secure contracts by way of mortgage.

(5) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

To accept surrender of shares.

(6) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

To appoint trustees for the Company.

(7) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

To conduct legal proceedings.

(8) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or foreign law and either in India or abroad and observe and perform or challenge any award thereon.

Bankruptcy & Insolvency

(9) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

To issue receipts & give discharge.

(10) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

To invest and deal with money of the Company.

(11) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

To give Security by way of indemnity.

(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

To determine signing powers.

(13) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

Commission or share in profits.

(14) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

Bonus etc. to employees.

(15) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the

Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

Transfer to Reserve Funds.

(16) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

To appoint and remove officers and other employees.

(17) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

To appoint Attorneys.

(18) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

To enter into contracts.

(19) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

To make rules.

(20) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

To effect contracts etc.

(21) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

To apply & obtain concessions licenses etc.

(22) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

To pay commissions or interest.

(23) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

To redeem preference shares.

(24) To redeem preference shares.

To assist charitable or benevolent institutions.

(25) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.

(26) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(27) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.

(28) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

(29) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

(30) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell

waste and by-products.

(31) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.

(32) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.

(33) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.

(34) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(35) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

(36) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

MANAGING AND WHOLE-TIME DIRECTORS

148. Powers to appoint Managing/ Wholetime Directors.

a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company (which shall be subject to approval by the shareholders of the company), and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

149. Remuneration of Managing or Wholetime Director.

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

150. Powers and duties of Managing Director or Whole-time Director.

(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to

distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.

(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.

(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer

a) Subject to the provisions of the Act,—

i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

152. The seal, its custody and use.

(a) The Board shall provide a Common Seal for the purposes 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 Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

153. Deeds how executed.

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividend and Reserves

154. Division of profits.

(1) 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.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

155. The company in General Meeting may declare Dividends.

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

156. Transfer to reserves

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.

157. Interim Dividend.

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

158. Debts may be deducted.

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

159. Capital paid up in advance not to earn dividend.

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

160. Dividends in proportion to amount paid-up.

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 dividends as from a particular date such share shall rank for dividend accordingly.

161. Retention of dividends until completion of transfer under Articles.

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

162. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

163. Effect of transfer of shares.

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

164. Dividend to joint holders.

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

165. Dividends how remitted.

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

166. Notice of dividend.

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

167. No interest on Dividends.

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

168. Unpaid or unclaimed dividend

a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

CAPITALIZATION

169. Capitalization.

(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:

(i) paying up any amounts for the time being unpaid on any 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).

(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

170. Fractional Certificates.

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —

(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and

(b) generally to do all acts and things required to give effect thereto.

(2) The Board shall have full power -

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such 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 amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

171. Inspection of Minutes Books of General Meetings.

(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

172. Inspection of Accounts

a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

FOREIGN REGISTER

173. Foreign Register.

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

DOCUMENTS AND SERVICE OF NOTICES

174. Signing of documents & notices to be served or given.

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

175. Authentication of documents and proceedings.

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

WINDING UP

176. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

177. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

178. Not responsible for acts of others

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

GENERAL POWER

179. Wherever in the Act, it has been provided that the Company shall have a right, privilege or authority, or that the Company can carry out any transactions only if the Company is so authorised by its articles, then and in that case, this regulation hereto authorises and empowers the Company to have such rights, privileges or authority, and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

SECRECY

180. Secrecy

(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Access to property information etc.

(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

*** "Part- B" of the Articles of Association of the Company was deleted vide Special Resolution passed by the Shareholders of the Company at their Extra Ordinary General Meeting held on 01st December, 2023.**

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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), which are or may be deemed material will be attached to the copy of this Red Herring Prospectus and the Prospectus which will be filed with the RoC and will also be available on the website of the Company which can be accessed at www.innovacaptab.com/investor-relations. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid / Offer Closing Date (except for such agreements executed after the Bid / Offer Closing Date).

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Offer

1. Offer Agreement dated June 28, 2022, entered into between our Company, the Selling Shareholders and the BRLMs, the amendment agreement to the Offer Agreement dated September 12, 2023, and the amendment agreement to the Offer Agreement dated December 13, 2023.

2. Registrar Agreement dated June 20, 2022, entered into between our Company, the Selling Shareholders and the Registrar to the Offer, and the amendment agreement dated December 8, 2023.

3. Cash Escrow and Sponsor Bank Agreement dated December 12, 2023 entered into between our Company, the Selling Shareholders, the Registrar to the Offer, Syndicate Member, the BRLMs and the Banker(s) to the Offer.

4. Share Escrow Agreement dated December 7, 2023 entered into between the Selling Shareholders, our Company and the Share Escrow Agent, and the amendment agreement dated December 13, 2023.

5. Syndicate Agreement dated December 13, 2023 entered into between our Company, the Selling Shareholders, the BRLMs, the Syndicate Member and the Registrar.

6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders and the Underwriters.^

7. Monitoring Agency Agreement dated December 6, 2023 entered into between our Company and the Monitoring Agency.

B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated January 3, 2005.

3. Fresh certificate of incorporation consequent to change of our name to 'Innova Captab Private Limited' dated February 2, 2010.

4. Fresh certificate of incorporation consequent upon conversion to public limited company dated July 26, 2018.

5. Resolution of the Board of Directors and the Shareholders of our Company dated June 19, 2022, and June 24, 2022, respectively in relation to the Offer and other related matters.

6. Resolution of the Board of Directors of our Company dated June 27, 2022, approving the Draft Red Herring Prospectus.

7. Resolution of the Board of Directors of our Company dated December 14, 2023, approving this Red Herring Prospectus.

8. Consent letters from the Selling Shareholders in relation to the Offer for Sale.

9. Consent dated December 1, 2023 from CRISIL MI&A to rely on and reproduce part or whole of the report, '*Assessment of Indian pharmaceutical and CDMO market'*, dated October 2023, and include their name in this Red Herring Prospectus.

10. Industry report titled '*Assessment of Indian pharmaceutical and CDMO market'*, dated October 2023, prepared by CRISIL MI&A.

11. Consent from the Statutory Auditors namely, B S R & Co. LLP, to include their name as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) examination report dated November 10, 2023 on our Restated Consolidated Financial Information, (ii) report dated September 9, 2023 on our Pro Forma Condensed Consolidated Financial Information, (iii) report dated December 14, 2023, on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiaries, and included in this Red Herring Prospectus.

12. Consent letter dated December 14, 2023 from Parashar & Co., Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate on the details of total installed capacity, production and capacity utilization of our Company, the Innova Partnership and Sharon Bio-Medicine Limited.

13. Consent letter dated December 14, 2023, from N B T and Co, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of various certifications issued by them in their capacity as independent chartered accountant to our Company.

14. Consent letter dated December 14, 2023, from N. Bhasin & Associates, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of their certificate on the product registrations and intellectual property of our Company and our Subsidiaries.

15. Report issued by the Statutory Auditors dated December 14, 2023, on the statement of possible special tax benefits available to our Company, our Shareholders and our Material Subsidiaries.

16. Agreement to sell business dated March 31, 2021, entered into between our Company and Innova Partnership.

17. Share purchase agreement dated December 31, 2021, entered into between our Company, previous shareholders of Univentis Medicare Limited and Univentis Medicare Limited.

18. Share subscription agreement dated July 13, 2022, entered into by our Company with UTI Multi Opportunities Fund I, UTI Structured Debt Opportunities Fund II and our Promoters Manoj Kumar Lohariwala and Vinay Kumar Lohariwala, along with the agreement dated December 1, 2023 amending the share subscription agreement dated July 13, 2022.

19. Share subscription agreement dated December 1, 2023, entered into by our Company with 360 One Special Opportunities Fund – Series 9, 360 One Special Opportunities Fund – Series 10 and our Promoters Manoj Kumar Lohariwala and Vinay Kumar Lohariwala.

20. Deeds of guarantees in connection with the guarantees as set out under *"History and Certain Corporate Matters – Guarantees given by our Promoter Selling Shareholders"* on page 228.

21. Copies of annual reports of our Company for the preceding three Fiscals.

22. Consent of our Directors, Selling Shareholders, BRLMs, Syndicate Member, the legal counsel to the Company, Registrar to the Offer, Statutory Auditors, Monitoring Agency, Banker(s) to the Offer, Banker to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to in their specific capacities.

23. Tripartite agreement dated April 6, 2022, amongst our Company, NSDL and the Registrar to the Offer.

24. Tripartite agreement dated March 28, 2022, amongst our Company, CDSL and the Registrar to the Offer.

25. Due diligence certificate dated June 28, 2022, addressed to SEBI from the BRLMs.

26. In-principle listing approvals dated September 16, 2022, and September 15, 2022, issued by BSE and NSE, respectively.

27. SEBI observation letter dated January 11, 2023, and the in-seriatim reply of the BRLMs dated December 5, 2023.

^*This document shall be executed after the Bid/Offer Closing Date.*

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Manoj Kumar Lohariwala
Chairman and Whole-time Director

Place: Panchkula

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Vinay Kumar Lohariwala
Managing Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Jayant Vasudeo Rao
Whole-time Director

Place: Baddi

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Archit Aggarwal
Non-Executive Director

Place: Panchkula

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Mr. Sudhir Kumar Bassi
Non-Executive Independent Director

Place: Mumbai

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Shirish Gundopant Belapure
Non-Executive Independent Director

Place: Indore

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ms. Priyanka Dixit Sibal
Non-Executive Independent Director

Place: Gurgaon

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Mr. Mahender Korthiwada
Non-Executive Independent Director

Place: Hyderabad

Date: December 14, 2023

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines/regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines/regulations issued thereunder, as the case may be. I further certify that all statements made in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Mr. Gaurav Srivastava
Chief Financial Officer

Place: Panchkula

Date: December 14, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Red Herring Prospectus about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

Mr. Manoj Kumar Lohariwala

Place: Panchkula

Date: December 14, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Red Herring Prospectus about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

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Mr. Vinay Kumar Lohariwala

Place: Mumbai

Date: December 14, 2023

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made or confirmed by them in this Red Herring Prospectus about or in relation to themself and their portion of the Offered Shares, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including, any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Red Herring Prospectus.

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Mr. Gian Parkash Aggarwal

Place: Delhi

Date: December 14, 2023